Completion of Convertible Note Issue and Lodgement of Appendix 3B

Orion Gold NL (**ASX: ORN**) announced on 7 February 2017 a proposed capital raising through the issue of convertible notes to various sophisticated and professional investors each with a face value of 2.6 cents (**Convertible Notes**). The Company obtained shareholder approval for this Convertible Note issue at a meeting of shareholders held on 13 March 2017. Key terms of the Convertible Notes are set out in the Company's 8 March 2017 ASX announcement.

The Company is pleased to announce the Convertible Note issue completed today, with the Company issuing 232,692,294 Convertible Notes each with a face value of 2.6 cents per Convertible Note, raising $6,050,000 before costs.

Proceeds received from the Convertible Notes issue will be used to complete the purchase of 100% of the issued capital of Agama Exploration & Mining (Pty) Ltd (refer 17 March 2017 ASX announcement) and to otherwise provide working capital to the Company.

Please find attached an Appendix 3B relating to the issue of those Convertible Notes.

Denis Waddell
Chairman

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement,
application for quotation of additional securities
and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Orion Gold NL

ABN

76 098 939 274

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Convertible notes ('Notes').
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	232,692,294 Notes.
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	• Maturity Date: 17 March 2019. • Interest: 12% per annum calculated and payable quarterly in arrears. • Conversion Price: 2.6 cents per fully paid ordinary share ('Share'). • Conversion: holders of the Notes may elect to convert part or all of their Notes at any time prior to the maturity date, provided the total face value of the Notes is not less than $250,000. • Security: secured over certain assets of the Company and its subsidiaries.

+ See chapter 19 for defined terms.

3   Principal terms of the +securities
(e.g. if options, exercise price
and expiry date; if partly paid
+securities,   the   amount
outstanding and due dates for
payment;   if   +convertible
securities, the conversion price
and   dates   for   conversion)
(continued)

- Early redemption by the Company: the Company may elect to redeem all or some of the Notes by notice to the noteholder, however the noteholder shall have the right, within 14 days of receipt of an early redemption notice from the Company, to convert the Notes the subject of the early redemption notice into Shares at the Conversion Price.

- Early redemption by the noteholder: the noteholders may require the Company to redeem the Notes if an event of default occurs and the noteholders by special resolution approve the redemption.

  At any time before the Maturity Date, a noteholder may elect to redeem and set off some or all of the Notes held by it for the redemption amount as part of an equity capital raising by the Company permitted by the note deed and in which the noteholder may have a right to participate in ('Equity Raising'), such that the redemption amount is set off against the amount payable by the noteholder to subscribe for securities under the Equity Raising.

- Redemption amount: the redemption amount is the outstanding facility amount with respect to each Note. If any Notes are redeemed by the Company within 12 months after their issue, an additional early repayment fee of 5% of the facility amount of the Notes being redeemed is payable by the Company.

- Transferrability: The Notes are not transferrable except to an affiliate of a noteholder.

Further details of the key terms of the Notes are set out in the Company's 8 March 2017 ASX announcement.

+ See chapter 19 for defined terms.

4	Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities? If the additional ⁺securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No – the Notes do not carry any rights to dividends or other distributions of the Company Shares issued on conversion of the Notes will rank equally with all other Shares on issue.
5	Issue price or consideration	2.6 cents per Note.
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The funds will be used to complete the purchase of 100% of the issued capital of Agama Exploration & Mining (Pty) Ltd and to otherwise provide working capital to the Company.
6a	Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the ⁺securities the subject of this Appendix 3B*, and comply with section 6i	No.
6b	The date the security holder resolution under rule 7.1A was passed	Not applicable.
6c	Number of ⁺securities issued without security holder approval under rule 7.1	Not applicable.
6d	Number of ⁺securities issued with security holder approval under rule 7.1A	Not applicable.

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable.

6f	Number of +securities issued under an exception in rule 7.2	Not applicable.

6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.

6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 40,742,903. Rule 7.1A – Not applicable.

7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	17 March 2017.

8	Number and +class of all +securities quoted on ASX (*including* the +securities in section 2 if applicable)	Number	+Class
		698,098,976	Fully paid ordinary shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the +securities in section 2 if applicable)	232,692,294	Convertible notes
		18,333,333	Unlisted options exercisable at $0.02 expiring 30 November 2020.
		18,333,333	Unlisted options exercisable at $0.035 expiring 30 November 2020.
		18,333,334	Unlisted options exercisable at $0.05 expiring 30 November 2020.
		9,000,000	Unlisted options exercisable at $0.147849 expiring 31 May 2018.
		9,000,000	Unlisted options exercisable at $0.247849 expiring 31 May 2018.
		9,000,000	Unlisted options exercisable at $0.347849 expiring 31 May 2018.
		1,000,000	Unlisted options exercisable at $0.147849 expiring 30 April 2018.
		1,000,000	Unlisted options exercisable at $0.247849 expiring 30 April 2018.
		1,000,000	Unlisted options exercisable at $0.347849 expiring 30 April 2018.
		250,000	Unlisted options exercisable at $0.045 expiring 30 November 2019.
		250,000	Unlisted options exercisable at $0.06 expiring 30 November 2019.
		58,775	Contributing Shares ($0.04 paid with $3.96 to pay).

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.

Part 2 - Pro rata issue

Questions 11 to 33 Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
   (*tick one*)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

   Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities
Questions 35 to 37 - Not Applicable

Entities that have ticked box 34(b)

Questions 38 to 42 - Not Applicable

Quotation agreement

1   ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.

2   We warrant the following to ASX.

- The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those ⁺securities should not be granted ⁺quotation.

- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ⁺securities to be quoted and that no-one has any right to return any ⁺securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ⁺securities be quoted.

- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.

3   We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4   We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Martin Bouwmeester
                      Company Secretary
Date: 17 March 2017

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Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital		
Step 1: Calculate "A", the base figure from which the placement capacity is calculated		
Insert number of fully paid ⁺ordinary securities on issue 12 months before the ⁺issue date or date of agreement to issue	421,031,205	
Add the following: • Number of fully paid ⁺ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ⁺ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ⁺ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	33,333,333 20,673,332 9,100,000 72,222,221 55,555,553 25,000,000 5,555,555	8 June 2016 23 June 2016 16 September 2016 14 November 2016 23 December 2016 30 December 2016 30 December 2016
Subtract the number of fully paid ⁺ordinary securities cancelled during that 12 month period	Nil	
"A"	**642,471,199**	

Step 2: Calculate 15% of "A"	
"B"	0.15 [Note: this value cannot be changed]
Multiply "A" by 0.15	**96,370,680**

Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	1,461,111 23 December 2016 54,166,666 14 March 2017
"C"	**55,627,777**

Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	96,370,680
Subtract "C" *Note: number must be same as shown in Step 3*	55,627,777
Total ["A" x 0.15] – "C"	**40,742,903** [Note: this is the remaining placement capacity under rule 7.1]

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	Not applicable.
Step 2: Calculate 10% of "A"	
"D"	0.10 Note: this value cannot be changed
Multiply "A" by 0.10	
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	
"E"	

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	
Subtract "E" *Note: number must be same as shown in Step 3*	
Total ["A" x 0.10] – "E"	*Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.