Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Orion Minerals Ltd	
ABN	Quarter ended ("current quarter")
76 098 939 274	March 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,249)	(2,765)
	(b) development		
	(c) production		
	(d) staff costs	(718)	(1,532)
	(e) administration and corporate costs	(684)	(1,868)
1.3	Dividends received (see note 3)		
1.4	Interest received	19	31
1.5	Interest and other costs of finance paid		(75)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		61
1.8	Other (provide details if material)	45	174
1.9	Net cash from / (used in) operating activities	(2,587)	(5,974)

2.	Cash flows from investing activities			
2.1	Pay	yments to acquire or for:		
	(a)	entities		
	(b)	tenements		
	(c)	property, plant and equipment		
	(d)	exploration & evaluation	(319)	(1,123)
	(e)	investments		
	(f)	other non-current assets		

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		5
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities	(94)	(308)
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		(35)
2.6	Net cash from / (used in) investing activities	(413)	(1,461)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	17,640	26,596
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(1,064)	(1,074)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		(2,000)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	16,576	23,522

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,711	1,219
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,587)	(5,974)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(413)	(1,461)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16,576	23,522

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Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	104	85
4.6	Cash and cash equivalents at end of period	17,391	17,391

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	17,391	3,711
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	17,391	3,711

Payments to related parties of the entity and their associates	Current quarter \$A'000
Aggregate amount of payments to related parties and their associates included in item 1	246
Aggregate amount of payments to related parties and their associates included in item 2	
	Aggregate amount of payments to related parties and their associates included in item 1 Aggregate amount of payments to related parties and their

Note: if any amounts are shown in items 6.1 or explanation for, such payments.

7.	Financing facilities Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	4,890	4,890
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities 4,890		4,890
	Note: Amounts above exclude capitalised interest and fees and include movement i exchange rates (where applicable).		
7.5	Unused financing facilities available at qu	arter end	

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Convertible Loan Facility

On 25 January 2019, Orion Minerals Ltd (**Orion**) announced a \$3.6M unsecured loan facility with Tembo Capital Mining Fund II LP (**Tembo**) (**Convertible Loan Facility**). The key terms of the Convertible Loan Facility are:

- Loan Facility Amount: \$3.6M:
- Interest: Capitalised at 12% per annum accrued daily on the amount drawn down;
- Repayment: Tembo may elect for repayment of the balance of the Convertible Loan Facility (including capitalised interest and fees) (**Outstanding Amount**) to be satisfied by the issue of fully paid ordinary shares (**Shares**) by Orion to Tembo at a deemed issue price of 2.6 cents per Share (subject to shareholder and Foreign Investment Review Board (**FIRB**) approvals). The Outstanding Amount must be repaid by 30 June 2021, or if Tembo elects to receive Shares in repayment of the Outstanding Amount in lieu of payment in cash, the date on which the Shares are to be issued to Tembo (or such later date as may be agreed between Tembo and Orion);
- · Establishment fee:
 - Cash capitalised 5% of the Convertible Loan Facility Amount and capitalised 4% of the Outstanding Amount as of 24 January 2020, payable on the Repayment date; and
 - Options 11M unlisted Orion options, exercisable at a price of 3.0 cents per option, expiring on 17 June 2024.
- · Security: Unsecured.

During the Quarter, in accordance with the terms of the Convertible Loan Facility, Tembo elected to receive repayment of the Outstanding Amount through the issue of Shares (subject to shareholder and FIRB approvals).

Following Quarter end, Orion obtained shareholder approval at a general meeting of Orion shareholders held on 15 April 2021 for the issue of up to \$5.0M in Shares (being 191.6M Shares at a deemed issue price of 2.6 cents per Share) in settlement of the Outstanding Amount. Tembo expects to obtain FIRB approval shortly.

At Quarter end, the Convertible Loan Facility balance was \$4.96M (including capitalised interest and fees).

AASMF Loan

On 2 November 2015, Prieska Copper Zinc Mine (Pty) Ltd (a 70% owned subsidiary of Orion) (**PCZM**) and Anglo American sefa Mining Fund (**AASMF**) entered into a ZAR14.25M loan agreement for the further exploration and development of the Prieska Copper-Zinc Project (**Loan**). Under the terms of the Loan, AASMF advanced ZAR14.25M to PCZM. The key terms of the Loan are:

- Loan amount: ZAR14.25M (~\$1.3M) (on 1 August 2017);
- Interest: Prime lending rate in South Africa;
- Repayment: 30 April 2021; and
- Security: 29.17% of the shares held in PCZM by Agama Exploration and Mining (Pty) Ltd (a wholly owned subsidiary of Orion), have been pledged as security to AASMF for the performance of PCZM's obligations in terms of the loan.

At Quarter end, the Loan balance was 1.76M (ZAR19.9M) (including capitalised interest).

8.	Estimated cash avail	able for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)		(2,587)
8.2	(Payments for exploratio activities) (item 2.1(d))	n & evaluation classified as investing	(319)
8.3	Total relevant outgoings	(item 8.1 + item 8.2)	(2,906)
8.4	Cash and cash equivaler	nts at quarter end (item 4.6)	17,391
8.5	Unused finance facilities	available at quarter end (item 7.5)	
8.6	Total available funding (i	item 8.4 + item 8.5)	17,391
8.7	Estimated quarters of fitem 8.3)	6.0	
	Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
	Answer: Not applicable.		
	cash to fund its o	ken any steps, or does it propose to take an operations and, if so, what are those steps a will be successful?	
	Answer: Not applicable.		
		expect to be able to continue its operations a f so, on what basis?	and to meet its business
	Answer: Not applicable.		
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2021

Authorised by: Board of Directors

Notes

- 1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

- 4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.