



Orion Minerals

ASX/JSE RELEASE: 23 May 2023

Share Issue – Notice under Section 708A(5)(e)

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) refers to its announcement on 15 March 2023 regarding a \$13 million capital raising to sophisticated and professional investors, as well as substantial shareholders Tembo Capital, Delphi Group, Orion non-executive Director Tom Borman, Orion Chairman Denis Waddell and Orion Managing Director & CEO Errol Smart, as part of a broader strategic equity funding package that will result in the introduction of Clover Alloys (SA) as a new cornerstone investor group and which will enable Orion to accelerate the development of both of its key base metal production hubs in South Africa's Northern Cape Province.

The capital raising, which was conducted via a two-tranche placement to sophisticated and professional investors, pursuant to Section 708A of the Corporations Act 2001 (**Placement**), comprised the issue of approximately 882 million fully paid ordinary shares (**Share**) at an issue price of \$0.015 (being ZAR18 cents) per Share and the issue of four free attaching unlisted options for every Share issued (approximately 3.53 billion unlisted options at an exercise price of \$0.017 (being ZAR20 cents) and an expiry date of 30 November 2023) (**Options**). The issue of Shares and Options under Placement Two of the Placement (including the issue of shares to Directors Denis Waddell, Tom Borman and Errol Smart, and substantial shareholder Tembo) and the issue of Options under Placement One of the Placement, was subject to receipt of shareholder approval, which was sought and obtained at the general meeting held on Friday 19 May 2023 (**General Meeting**).

In relation to the Placement, Orion has today issued:

- 115,355,330 Shares at an issue price of \$0.015 per Share and 461,421,320 Options (**Placement Two Securities**), pursuant to Placement Two of the Placement, including to Orion non-executive Director Tom Borman, Orion Chairman Denis Waddell and Orion's Managing Director and CEO, Mr Errol Smart;
- 51,466,666 Shares at a deemed issue price of \$0.015 per Share and 205,866,664 Options to Tembo Capital (or nominee) (**Tembo Loan Facility Securities**), the consideration for which was the repayment of the Tembo Capital convertible loan in full (being an amount equal to A\$0.77 million) (refer ASX/JSE release 3 January 2023); and
- 2,841,644,504 Options pursuant to Placement One of the Placement, following the issue of Placement One Shares in March 2023.

In addition, Orion has today issued the following Shares in connection with short term incentive (**STI**) entitlements of certain key management personnel (including Mr Errol Smart) and management team, and in lieu of Director fees payable to Mr Mark Palmer:

- 9,660,234 Shares at a deemed issue price of \$0.015 per Share to key management personnel and management of Orion (**Executive STI Shares**), in satisfaction of STI entitlements of those employees under a STI incentive scheme approved by the Orion Board; and
- following receipt of shareholder approval at the General Meeting:
 - 3,555,555 Shares at a deemed issue price of \$0.015 per Share and 14,222,220 Options to Mr Errol Smart (or his nominee) (**Smart STI Securities**), in satisfaction of Mr Smart's STI entitlement approved by the Orion Board; and
 - 1,250,000 Shares at a deemed issue price of \$0.02 per Share to Tembo Capital (nominee of Mr Mark Palmer) (**Director Fee Shares**). In order to preserve the Company's cash reserves, Mr Palmer agreed to receive his Director fees in Shares in lieu of cash and nominated Tembo Capital to receive the

Director Fee Shares. This follows the issue of Shares to other Directors in lieu of fees payable to those Directors in December 2022 (on the same terms as the Director Fee Shares).

In accordance with section 708A(5)(e) of the Corporations Act 2001 (**Act**), the Company advises as follows:

1. this notice is being given under paragraph 708A(5)(e) of the Act;
2. the Company issued the Placement Two Securities, Tembo Loan Facility Securities, Smart STI Securities, Executive STI Shares and Director Fee Shares without disclosure to investors under Part 6D.2 of the Act;
3. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
4. as at the date of this notice, the Company has complied with section 674 and section 674A of the Act; and
5. all information of the kind that would be required to be disclosed to the market for the purposes of section 708A(6)(e) of the Act has been disclosed to ASX Limited.

For and on behalf of the Board.



Denis Waddell
Chairman

ENQUIRIES

Investors

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