



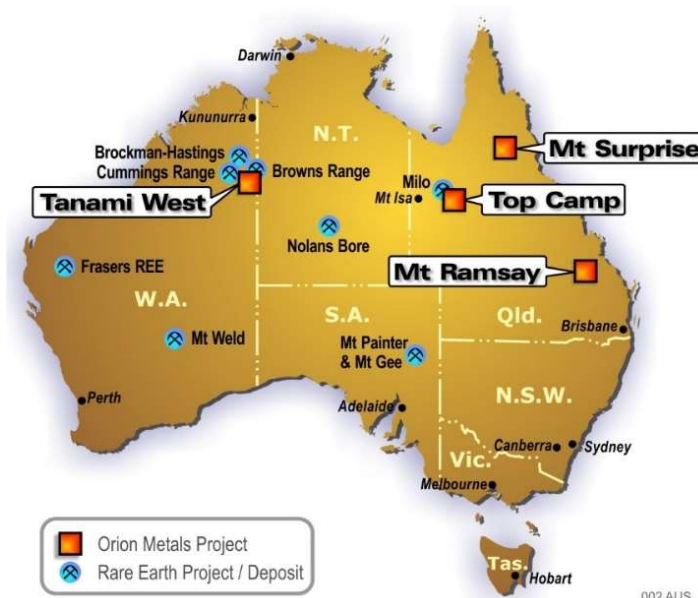
ORION METALS LIMITED (ASX: ORM)

ACTIVITIES REPORT FOR QUARTER ENDING 28th FEBRUARY 2019

EXPLORATION ACTIVITIES

At the Tanami West Joint Venture PVW Resources ('PVW') are undertaking data compilation, interpretation and target generation with the intention of commencing ground based mineral exploration activities in 2019 at the end of the northern wet season. PVW has commenced discussions with the Kimberley Land Council and the Aboriginal traditional owners of the area (the Tjurabalan Native Title Land Aboriginal Corporation), in order to establish a good working relationship and work through some of the historical access and heritage issues in this area.

No on-ground exploration activities were conducted on Orion's other exploration projects during the reporting period.



Project Updates

TANAMI WEST PROJECT

RARE EARTH ELEMENT (REE) & GOLD PROJECT

200 km southeast of Halls Creek, WA

E80/4029, E80/4197, E80/4558, E80/4869, E80/4919, E80/4920, E80/4921.

PVW has commenced discussions with the Kimberley Land Council and the Aboriginal traditional owners of the area (the Tjurabalan Native Title Land Aboriginal Corporation), in order to establish a good working relationship and work through some of the historical access and heritage issues in this area. PVW's immediate focus is on the Killi Killi East and Killi Killi West prospects where drilling completed by Orion returned a best intercept of 8m @ 4.2 g/t Au. PVW hopes to be able to commence on-ground work on the project at the end of the northern wet season, which is around April/May. Orion continues to cooperate and work with PVW to ensure all tenements are kept in good standing.

Orion Metals' tenement holdings in the Tanami region stands at 107 sub-blocks, for 321 square kilometres, of highly prospective, under explored REE and gold terrane. The Tanami region is

being explored by several major gold mining companies, including Newcrest Mining, Northern Star Resources and St. Barbara. This is in addition to Newmont Mining who have been operating in the Tanami at the world-class Callie and Granites gold mines for several years. The region is widely acknowledged to be one of the most under-explored gold terranes in Australia.

MT SURPRISE PROJECT

RARE EARTH ELEMENT (REE), TIN, TUNGSTEN PROJECT

Northeast of Mt Surprise, North Queensland

EPM 18850, EPM 18331.

All Mt Surprise Project tenure is 100% held by Orion Metals Limited. No on-ground exploration was conducted during the current reporting period.

The renewal application for the Mt. Surprise tenement EPM 18850 was successful, with 50 sub-blocks retained. The tenement has been renewed for another 5 years, now expiring in October 2023. The work program requires geological mapping, stream sediment sampling and rock chip sampling in Year 6 (first year of renewal).

The Mt Surprise tenement package remains highly prospective for tin, tungsten and rare earth elements.

TOP CAMP PROJECT

GOLD COPPER PROJECT

40 km south of Cloncurry, North Queensland

ML 2764, ML 2785, ML 2786, ML 2792.

The Top Camp mining leases are all 100% Orion Metals Limited owned. No on-ground exploration was conducted during this period.

The Top Camp Project, which is located within the world class base metal mining province of Cloncurry, Queensland, remains a high value gold copper exploration project.

Mt RAMSAY PROJECT

RARE EARTH ELEMENT (REE) PROJECT

200 km west of Gladstone, Queensland

EPM 25677

All Mt Ramsay Project tenure is 100% held by Orion Metals Limited. No on-ground exploration was conducted during the current reporting period.

The Mt Ramsay Project remains a high priority exploration area for REE, specialty metals, copper and gold.

TENEMENT SCHEDULE

ORM TENEMENT LIST at 28 February 2019						
Tenement ID	Location	Registered Holder	Status	Granted Date	Expiry Date	Area (Sub-blocks)
TANAMI WEST PROJECT - WA						
E80/4029	Tanami Region, WA	RRI * 65%	Granted	16-04-09	15-04-19	10
E80/4197	Tanami Region, WA	RRI * 65%	Granted	15-10-09	14-10-19	3
E80/4558	Tanami Region, WA	RRI * 65%	Granted	13-12-12	12-12-22	5
E80/4869	Tanami Region, WA	RRI * 65%	Granted	17-05-16	16-05-21	61
E80/4919	Tanami Region, WA	RRI * 65%	Granted	17-05-16	16-05-21	22
E80/4920	Tanami Region, WA	RRI * 65%	Granted	17-05-16	16-05-21	3
E80/4921	Tanami Region, WA	RRI * 65%	Granted	17-05-16	16-05-21	3
MT SURPRISE PROJECT - QLD						
EPM 18331	Mt Surprise Area, Qld	ORM 100%	Granted	26-06-14	25-06-19	19
EPM 18850	Mt Surprise Area, Qld	ORM 100%	Granted	21-10-13	20-10-23	50
MT RAMSAY PROJECT - QLD						
EPM 25677	W of Gladstone, Qld.	ORM 100%	Granted	11-08-14	10-08-19	16
Tenement ID	Location	Registered Holder	Status	Granted Date	Expiry Date	Area (Hectares)
TOP CAMP PROJECT - QLD						
ML 2764	SSW of Cloncurry	ORM 100%	Granted	19-01-89	31-01-20	103
ML 2785	SSW of Cloncurry	ORM 100%	Granted	06-02-92	28-02-22	129.2
ML 2786	SSW of Cloncurry	ORM 100%	Granted	15-02-90	28-02-21	70
ML 2792	SSW of Cloncurry	ORM 100%	Granted	06-02-92	28-02-22	103.5
<i>* Rich Resources Investments Pty Ltd - wholly owned Subsidiary of Orion Metals Limited</i>						

Competent Person Declaration. *The information in this report that relates to Exploration Results is based on information compiled by Mr Robin Wilson, a part-time consultant to Orion Metals Limited, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Wilson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

CORPORATE

Company Update

Since entering into the farm-in agreement with PVW Resources NL (PVW) in relation to the Tanami West Project in February 2018 PVW have commenced management of exploration on the Project tenements and have completed the Stage 1 payment of \$40,000 to Orion, which earned them the right to acquire a 35% Participating Interest in the joint venture property (that has since been transferred).

There has been no further exploration/evaluation of the Company's other Projects during the period. However, Directors continue to investigate potential sources of funding or any joint venture opportunities to enable the Company to continue operations and carry out its exploration program.

The Company also continues to seek out any other potential good attractive assets to further increase value for the benefit of all shareholders.

Financial

On 31 January 2019 major shareholder Excellence Holdings HK Limited (EHHK) exercised 33,000,000 options and additional shares were issued at 0.5¢ each to raise \$165,000 to ensure continuity of corporate commitments and re-structured exploration activities. EHHK has indicated that the remaining 67,000,000 of the 100,000,000 options approved by shareholders at an Extraordinary General Meeting held on 21 December 2018 will be exercised over coming months as funds are required to meet commitments.

CORPORATE DIRECTORY

ORION METALS LIMITED

ASX Code: ORM

ABN: 89 096 142 737

Issued Capital as at 28 February 2019

478,097,443 shares issued & listed

389 shareholders

Top 20 shareholders

Hold 98.85% of listed shares

Largest shareholders

Excellence Holdings HK Limited 67.40%

Conglin Group / Mr Conglin Yue 23.69%

Jien Mining Pty Ltd 5.18%

Board

Mr Yi Yang – Chairman

Ms Bo Wang – Director

Mr Feng Wu – Executive Director

Mr Bin Cai – Executive Director & CFO

Company Secretary

Mr Bill Lyne

Contact Details

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Orion Metals

ABN

89 096 142 737

Quarter ended ("current quarter")

28 February 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	4	63
1.2 Payments for		
(a) exploration & evaluation	(3)	(97)
(b) development	-	-
(c) production	-	-
(d) staff costs	(54)	(205)
(e) administration and corporate costs	(17)	(158)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(70)	(397)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	300
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	165	165
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
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	165	465

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	70	97
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(70)	(397)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	165	465
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	165	165

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12months) \$A'000

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	13	7
5.2 Call deposits	152	63
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)	165	70

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
10

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7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

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

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		No changes in quarter		
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.



Sign here:
(Director/~~Company secretary~~)

Date: 27 March 2019

Print name: Bin Cai

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.