



ASX/JSE RELEASE: 2 JANUARY 2018

Tembo exercises Top-Up right and Appendix 3B

- ▶ Private equity group Tembo Capital confirms its continued support of Orion through subscribing for \$1.44M in Shares in Orion allowing it to maintain its 19.99% holding in Orion.
- ▶ Tembo Capital's Share subscription has enabled Orion to reduce the balance of the Tembo Capital Loan Facility.

Orion Minerals NL (ASX/JSE: ORN) is pleased to advise that mining focused, private equity group Tembo Capital Mining Fund II LP and its affiliated entities (**Tembo Capital**), has confirmed its continued support of Orion through subscribing for ordinary fully paid shares (**Shares**) in Orion, allowing Tembo Capital to maintain its 19.99% holding in the Company.

Orion announced on 12 April 2017 that it had entered a formal placement agreement in respect of a placement and strategic relationship with Tembo Capital, pursuant to which Tembo Capital was granted an anti dilution right to maintain its percentage holding in Orion where the Company conducts subsequent equity raisings (**Top-up Right**). Tembo Capital's interest in Orion was diluted as a result of recent capital raisings totalling \$5.75M (**Capital Raisings**). Pursuant to the Top-up Right, Orion offered Tembo Capital the right to subscribe for up to 60,000,000 Shares, which would allow Tembo Capital to maintain its 19.99% holding in Orion (**Top-up Shares**) at an issue price of 2.4 cents (which is the same issue price as the Shares offered under the Capital Raisings).

Orion announced on 18 August 2017 that it had entered into a loan facility agreement with Tembo Capital, pursuant to which Tembo Capital has advanced funds to Orion (**Loan Facility**). On 29 December 2017, Orion issued 60,000,000 Shares in the Company at an issue price of 2.4 cents per Share to raise \$1,440,000 and the amount raised has been used to reduce the balance of the Loan Facility. The issue of Shares to Tembo Capital was approved by shareholders at a meeting held on 13 December 2017.

Please find attached an Appendix 3B relating to the issue of the Shares.

Denis Waddell
Chairman

About Tembo

Tembo is a private equity group targeting junior and mid-tier mining investment opportunities in developing countries. Tembo has technical and financial experience with in-house expertise in the fields of geology, mine engineering, metallurgy, mining finance and private equity. This experience, coupled with a strong network of relationships in the mining industry, enables Tembo to add long-term value to its investments through technical input, strategic guidance, financial structuring advice and industry introductions. Tembo aims to work collaboratively with its investee companies through a long term partnership-type approach.

ENQUIRIES

Investors

Errol Smart – Managing
Director & CEO

Denis Waddell – Chairman

T: +61 (0) 3 8080 7170

E: info@orionminerals.com.au

Suite 617, 530 Little Collins Street
Melbourne, VIC, 3000

Media

Michael Vaughan

Fivemark Partners, Australia

T: +61 (0) 422 602 720

E: michael.vaughan@fivemark.com.au

Barnaby Hayward

Tavistock, UK

T: +44 (0) 787 955 1355

E: orion@tavistock.co.uk

JSE Sponsor

Rick Irving

Merchantec Capital

T: +27 (0) 11 325 6363

E: rick@merchantec.co.za

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 Minerals 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 | Fully paid ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 60,000,000. |
| 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) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

4	<p>Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> 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 	<p>Shares rank equally with all other fully paid ordinary shares on issue.</p>
5	Issue price or consideration	2.4 cents per fully paid ordinary share.
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Fully paid ordinary shares issued pursuant to a top up right granted to strategic investor and otherwise on terms approved by shareholders at the Company's General Meeting held on 13 December 2017.</p>
6a	<p>Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No.</p>
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.
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.

⁺ See chapter 19 for defined terms.

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 – 191,600,565 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.	29 December 2017.	
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	Number	+Class
		1,290,003,768	Fully paid ordinary shares

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

	Number	+Class
9	232,692,294	Convertible notes.
	94,321,464	Unlisted options exercisable at \$0.0462 expiring 29 March 2019.
	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.
	12,300,000	Unlisted options exercisable at \$0.03 expiring 31 May 2022.
	12,300,000	Unlisted options exercisable at \$0.045 expiring 31 May 2022.
	12,300,000	Unlisted options exercisable at \$0.06 expiring 31 May 2022.
	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.
	2,200,000	Unlisted options exercisable at \$0.05 expiring 30 June 2020.
	1,900,000	Unlisted options exercisable at \$0.035 expiring 30 June 2020.
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)

+ See chapter 19 for defined terms.

- (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

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: 2 January 2018

⁺ See chapter 19 for defined terms.

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	613,376,755	
Add the following: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 	25,000,000 30 December 2016 5,555,555 30 December 2016 54,166,666 14 March 2017 94,321,464 29 March 2017 125,000,000 9 June 2017 73,000,000 17 August 2017 144,583,329 3 November 2017 84,583,333 18 December 2017 10,416,666 19 December 2017 60,000,000 29 December 2017	
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil	
“A”	1,290,003,768	

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 [Note: this value cannot be changed]
Multiply “A” by 0.15	193,500,565
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 <i>not counting</i> those issued: <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 Note: <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	1,900,000 21 December 2017
“C”	1,900,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	193,500,565
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	1,900,000
Total [“A” x 0.15] – “C”	191,600,565 [Note: this is the remaining placement capacity under rule 7.1]

+ See chapter 19 for defined terms.

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” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable.
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
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 <i>Notes:</i> <ul style="list-style-type: none"> • 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 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.