

**ORION METALS LIMITED  
ACN 096 142 737**

**NOTICE OF ANNUAL GENERAL MEETING**

**incorporating**

**EXPLANATORY MEMORANDUM**

**and**

**PROXY FORM**

**Date of meeting:** Wednesday 24 July 2013

**Time of meeting:** 12:00noon (Brisbane Time)

**Place of meeting:** Level 24, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland



**ORION METALS LIMITED**  
**ACN 096 142 737**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the 2013 Annual General Meeting of the Shareholders of Orion Metals Limited (**Company**) will be held at 12:00noon (Brisbane time) on Wednesday, 24 July 2013 at the Company's Registered Office, Level 24, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland.

The Explanatory Memorandum and Proxy Form accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting. Capitalised terms used in this Notice of Meeting have the meaning given to them in the "Definitions" section at the end of the Explanatory Memorandum.

**ORDINARY BUSINESS**

**1. Annual Financial Report**

To receive and consider the Annual Financial Report of the Company and the reports of the Directors and Auditors for the year ended 28 February 2013.

**2. Resolution 1 – Remuneration Report for the Financial Year ended 28 February 2013**

To consider and, if thought fit, to pass the following resolution as an **advisory resolution**:

*"That, for the purposes of section 250R of the Corporations Act 2001, the Remuneration Report for the year ended 28 February 2013 be adopted."*

Please note that the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

**Voting Exclusion Statement**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (1) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (2) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if:

- (1) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (2) it is cast by the Chairman of the meeting and the appointment of the Chairman as proxy:
  - (a) does not specify the way the proxy is to vote on the resolution; and
  - (b) expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

**3. Resolution 2 – To elect Mr Conglin Yue as a Director**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Mr Conglin Yue, who retires as a casual appointee in accordance with Rule 37.2 of the Company's Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Non-Executive Director."*

4. **Resolution 3 – To elect Ms Yanchun Wang as a Director**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Ms Yanchun Wang, who retires as a casual appointee in accordance with Rule 37.2 of the Company’s Constitution and Listing Rule 14.4 and, being eligible, offers herself for re-election, be re-elected as a Non-Executive Director.”*

5. **Resolution 4 – To elect Mr Bin Cai as a Director**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mr Bin Cai, who retires as a casual appointee in accordance with Rule 37.2 of the Company’s Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director.”*

6. **Resolution 5 – To re-elect Dr Tao Li as a Director**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Dr Tao Li, who retires by rotation in accordance with Rule 39.1 of the Constitution of the Company and Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”*

The Explanatory Memorandum which accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered. Shareholders should read the Explanatory Memorandum in full.

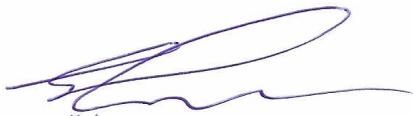
**OTHER BUSINESS**

To consider any other business that may lawfully be brought forward.

**QUESTIONS AND COMMENTS BY SHAREHOLDERS AT GENERAL MEETING**

A reasonable opportunity will be given to Shareholders as a whole at the Meeting to ask questions about or make comments on the Remuneration Report and the management of the Company and to ask the auditors or their representative questions relevant to the conduct of the audit, the preparation and content of their report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and their independence in relation to the conduct of the audit.

BY ORDER OF THE BOARD



**Bill Lyne**  
Company Secretary  
Dated: 19 June 2013

## VOTING ENTITLEMENT

For the purposes of determining entitlements to vote at the Meeting, the Company's Shares will be taken to be held by the people registered as holders at 7:00 pm (Sydney time) on 22 July 2012. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

## PROXIES

Shareholders entitled to attend and vote at the Meeting are entitled to appoint a proxy. The proxy may be an individual or a body corporate.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes such proxy may exercise, each proxy may exercise half of the votes disregarding fractions.

For an appointment of proxy to be valid, the Proxy Form and, if the form is signed under a power of attorney or other authority, the authority under which the form is signed (or a certified copy of the authority) must be received at the Company's Share Registry, Link Market Services Limited, in any of the following ways:

- **by mail:** Orion Metals Limited  
c/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia
  
- **by fax:** +61 2 9287 0309

not less than 48 hours prior to the time of commencement of the Meeting or adjourned Meeting, as the case may be, at which the proxy named in the Proxy Form proposes to vote (i.e. no later than 12:00noon (Brisbane time) on 22 July 2013).

A proxy must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a company, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder.

A Proxy Form accompanies this Notice of Meeting. Additional Proxy Forms are available on request from the Company's Share Registry.

### **How undirected proxies held by the Chairman of the meeting will be voted**

If you appoint the Chairman of the Meeting as your proxy and you do not specify in the Proxy Form the manner in which you wish the Chairman to vote on the Resolutions to be considered at the Meeting, the Chairman intends to vote in favour of all Resolutions. **If you do not direct the Chairman how to vote on Resolution 1, you expressly authorise the Chairman to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.**

If you appoint the Chairman of the Meeting as your proxy and wish to direct the Chairman how to vote on some or all of the Resolutions to be considered at the Meeting, you must complete the directed proxy part of the Proxy Form (Step 2 on the Proxy Form).

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each resolution.

## IMPORTANT VOTING RESTRICTIONS

If you are entitled to vote, and you wish to appoint a proxy, you should be aware that if your proxy is a person who is not entitled to vote in their own right, the person may (subject to the Corporations Act) still vote as your proxy but your proxy's vote on your behalf will only be valid if, subject to the comments above in respect of undirected proxies held by the Chairman, you direct your proxy on the Proxy Form how to vote and the proxy does vote as directed.

## **CORPORATE REPRESENTATIVES**

A Shareholder which is a body corporate and which is entitled to attend and vote at the Meeting, or a proxy which is a body corporate and which is appointed by a Shareholder entitled to attend and vote at the Meeting, may appoint a person to act as its representative in accordance with section 250D of the Corporations Act. The representative must present satisfactory evidence of his or her appointment prior to admission to the Meeting.

**ORION METALS LIMITED**  
**ACN 096 142 737**

**EXPLANATORY MEMORANDUM**

This Explanatory Memorandum has been prepared for the information of Shareholders in Orion Metals Limited (**Company**) in connection with the business to be considered at the Meeting of Shareholders to be held at 12.00noon (Brisbane time) on Wednesday, 24 July 2013 at the Company's Registered Office, Level 24, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland.

This Explanatory Memorandum comprises part of the accompanying Notice of Meeting. Capitalised terms are defined in the "Definitions" section at the end of this Explanatory Memorandum.

Details of the business to be considered at this Meeting are set out below.

**Purpose of Explanatory Memorandum**

The purpose of this Explanatory Memorandum is to provide Shareholders with information which may be relevant to the Resolutions to be put to Shareholders at the Meeting.

**1. Annual Financial Report**

The first item on the Notice of Meeting deals with the presentation of the Company's Annual Financial Report for the financial year ending 28 February 2013. Shareholders should consider this document and raise any matters of interest with the Directors when this item is being considered.

The Company's Annual Financial Report for the year ended 28 February 2013 is available on the Company's website at [www.orionmetals.com.au](http://www.orionmetals.com.au).

No resolution is required to be moved in respect of this item.

**2. Resolution 1: Remuneration Report for the Year ending 28 February 2013**

During this item of business, Shareholders at the meeting may comment on and ask questions about the Remuneration Report that appears in the Company's 2013 Annual Report.

Section 300A of the Corporations Act requires the Director's Report to include a remuneration report containing information about the Board's policy for determining the nature and amount of the remuneration of directors and senior management. The report must also explain the relationship between the remuneration policy and the Company's performance. The disclosure requirements stipulated in section 300A of the Corporations Act have been complied with.

The Corporations Act (sections 250R (2) and 250R (3)) provides that the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

**3. Resolution 2: Election of Director - Conglin Yue**

Mr Conglin Yue was appointed as the Non-Executive Chairman on 25 July 2012 following the acquisition by Australia Conglin International Investment Group Pty Ltd (**Conglin Group**) of a substantial shareholding in the Company. The Conglin Group (together with its associates) is Orion's largest shareholder and currently has an interest in 69.9% of the Company's shares.

Under Article 37.2 of the Company's Constitution and ASX Listing Rule 14.4, any director appointed by the Board to fill a casual vacancy or as an addition to the Board must retire at the next AGM. Therefore, Mr Yue retires in accordance with the Constitution and, being eligible, offers himself for election as a Director.

Mr Yue is involved with businesses having long-standing relationships with a number of major steel producing companies in China, having developed a successful coking coal and iron ore trading business in China over many years. These well-developed relationships should benefit Orion as it moves closer to the production of gold and rare earth materials on a commercial

scale through improved marketing and distribution channels. Mr Yue is also the Chairman of Conglin Baoyuan International Investment Group, a Chief Executive Officer of Huachen and a Director of the Chinese University of Political Science and Law.

***Recommendation of Directors***

The Directors (other than Mr Yue) unanimously recommend that Shareholders vote in favour of Resolution 2.

**4. Resolution 3: Election of Director - Yanchun Wang**

Ms Yanchun Wang Yue was appointed as a Non-Executive Director on 3 August 2012 as an additional nominee of the Conglin Group.

Under Article 37.2 of the Company's Constitution and ASX Listing Rule 14.4, any director appointed by the Board to fill a casual vacancy or as an addition to the Board must retire at the next AGM. Therefore, Ms Wang retires in accordance with the Constitution and, being eligible, offers herself for election as a Director.

Ms Wang is the wife of Conglin Yue. She acts as a strategic investor for a number of Chinese based companies. Ms Wang is a Vice Chairman of Conglin Baoyuan International Investment Group and also a Director of Huachen.

***Recommendation of Directors***

The Directors (other than Ms Wang) unanimously recommend that Shareholders vote in favour of Resolution 3.

**5. Resolution 4: Election of Director - Bin Cai**

Mr Bin Cai was appointed as a Director on 25 July 2012 as a nominee of the Conglin Group. He subsequently became an Executive Director when he was appointed the Company's Chief Financial Officer on 16 October 2012.

Under Article 37.2 of the Company's Constitution and ASX Listing Rule 14.4, any director appointed by the Board to fill a casual vacancy or as an addition to the Board (unless he is the managing director) must retire at the next AGM. Therefore, Mr Cai retires in accordance with the Constitution and, being eligible, offers himself for election as a Director.

Mr Cai holds a Master of Finance & IS degree. He is the Managing Director of the Conglin Group based in Brisbane. Mr Cai has an outstanding record of successful strategic investments in emerging Australian resources companies based on his long experience in resources investment. Prior to joining the Conglin Group Mr. Cai had 8 years experience with the China Investment Bank.

He is also a Director of ASX-listed Carpentaria Exploration Limited, in which the Conglin Group is the largest shareholder.

***Recommendation of Directors***

The Directors (other than Mr Cai) unanimously recommend that Shareholders vote in favour of Resolution 4.

**6. Resolution 5: Re-election of Director - Tao Li**

Dr Tao Li was appointed a Non-Executive Director on 30 September 2010 as representative of Jien Mining Pty Ltd, one of the Company's substantial shareholders with a 15.3% interest.

Rule 39.1 of the Company's Constitution and ASX Listing Rule 14.4 require that Directors must not hold office for in excess of 3 years or past the third annual general meeting following the director's appointment, whichever is the longer, without resubmitting for re-election. In addition, ASX Listing Rule 14.5 requires that there must be an election of directors each year.

Retiring Directors may immediately offer themselves up for re-election. Dr Li retires by rotation and, being eligible, offers himself for re-election.

Dr Li is a specialist in geotechnical and mining engineering and he provides commercial, technical and corporate strategic advice to Australian, Canadian, and Chinese mining companies. He previously worked for 7 years in the Chinese mining industry and for the past 25 years he has been a trusted advisor to the Australian mining industry as an engineer, manager and group manager for organisations such as Mount Isa Mines, WMC Resources, Gold Fields and Newcrest Mining. His extensive experience with project evaluations, mergers, acquisitions, Chinese business development, corporate structuring, equity raising, EPCM and supply solutions provide a wealth of knowledge for Orion to draw upon. His project and operational skills range from design, evaluation, risk assessment and management, due diligence, review and audit, as well as project and human resource management. He has initiated, developed and implemented a number of innovative solutions and improvements to a number of mines and projects.

He is also an Alternate Director of ASX-listed Metallica Minerals Limited and a Director of Liberty Mines Inc. Which is listed on TSX Canada.

***Recommendation of Directors***

The Directors (other than Dr Li) unanimously recommend that Shareholders vote in favour of Resolution 5.

## Definitions

The following words shall have the following meanings in this Notice of Meeting and Explanatory Memorandum:

**ASX** means ASX Limited ACN 008 624 691 or, where applicable, the Australian Securities Exchange operated by ASX.

**Board** means the Board of Directors of the Company.

**Closely Related Party** means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

**Company** or **Orion** means Orion Metals Limited ACN 096 142 737.

**Constitution** means the constitution of the Company.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Director** means a director of the Company at the date of this Notice of Meeting.

**Explanatory Memorandum** means this explanatory memorandum and any schedule or annexure to it.

**Key Management Personnel** means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

**Listing Rules** or **ASX Listing Rules** means the listing rules of ASX.

**Meeting** means the Annual General Meeting of the Company to be held at 12:00noon (Brisbane time) on Wednesday, 24 July 2013 at the Company's Registered Office, Level 24, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland.

**Notice of Meeting** means, unless the context requires otherwise, this document which comprises the Company's Notice of Meeting to be held at 12:00noon (Brisbane time) on Wednesday, 24 July 2013 at the Company's Registered Office, Level 24, Riparian Plaza, 71 Eagle Street, Brisbane, Queensland and the accompanying Explanatory Memorandum and the Proxy Form.

**Proxy Form** means the proxy form attached to the Notice.

**Remuneration Report** means the remuneration report of the Company contained in the Directors' Report.

**Resolution** means a resolution of the Company set out in this Notice of Meeting.

**Shareholder** means a shareholder in the Company.