



# ORION METALS LIMITED (ASX: ORM)

## *ACTIVITIES REPORT FOR QUARTER ENDING 31 August 2022*

### EXPLORATION ACTIVITIES

Sale of the Top Camp Project – that was Orion Metal’s only remaining exploration project – was completed on 15 December 2021 and so no exploration activities were conducted during this quarter.

### CORPORATE

#### Company Update

Orion’s Directors have continued to concentrate on investigating the acquisition of new assets by the Company to increase value for the benefit of all shareholders and to source new funding arrangements as alternatives to the support which has been provided as loans by Director-related shareholders over the last several months.

To assist the Company, professional advisors have been mandated to advise on investment opportunities in mining or exploration assets that are in a more advanced or developed stage as well as any further capital raising that may be required by the Company to support its future activities.

Due to delays in finalising new asset acquisitions and funding arrangements, on 16 June 2022 – being 6 months after the date of completion of the sale of the Company’s last remaining exploration project – the Australian Securities Exchange (ASX) suspended the Company’s shares from trading on the ASX until it complies with various Listing Rules, in particular the requirements of Chapter 11 – a process that could take some time.

In the meantime, the Company will continue to adhere to all ASX requirements including the timely lodgement of financial reports, notification of material information and its continuous disclosure obligations.

The Company’s Annual General Meeting was held on Friday 29 July 2022 and all resolutions considered by shareholders were passed with a clear majority.

On 29 August 2022 the Company announced that long-term Company Secretary, Bill Lyne, will be retiring at the end of September and that John Lemon has been appointed in his place. John is a professional company secretary and company director. He is well-qualified (BA, LLB (Hons), GDipAppFin (Finsia), Grad.Dip. AppCorpGov, MAICD) and a former practising solicitor who worked for Clayton Utz Lawyers and as an in-house lawyer for several companies. He provides company secretary, director and governance services to small and medium size companies.



The Company's 31 August 2022 half-yearly accounts are currently in preparation and, following audit-review and Directors' approval, will be released on the ASX – planned for early November.

## Financial

The Company's Quarterly Cash Flow Report (Appendix 5B) details funds flow for the most recent reporting period and cash on hand at period-end.

Payments to related parties of the entity and their associates during the period aggregated \$16,000 and were for an executive Director's salary and statutory superannuation.

## CORPORATE DIRECTORY

### ORION METALS LIMITED

**ASX Code:** ORM  
**ABN:** 89 096 142 737

### Issued Capital as at 31 August 2022

545,097,443 shares issued  
375 shareholders

### Top 20 shareholders

Hold 99.1% of listed shares

### Largest shareholders

Excellence Holdings HK Limited 73.38%  
Conglin Group / Mr Conglin Yue 19.35%  
Jien Mining Pty Ltd 4.23%

### Board

Dr Yi Yang – Chairman  
Mr Yu Zhou – Director  
Dr Feng Wu – Executive Director (Compliance)  
Mr Bin Cai – Executive Director (Chief Financial Officer)

### Company Secretaries

Mr Bill Lyne  
Mr John Lemon

### Contact Details

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**Quarterly Activities Report is authorised by the Board of Directors of Orion Metals Limited**

## Appendix 5B

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

Name of entity

ORION METALS LIMITED

ABN

89 096 142 737

Quarter ended ("current quarter")

31 AUGUST 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	15
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(55)	(90)
(e) administration and corporate costs	(63)	(140)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(118)</b>	<b>(214)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	-	-

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	232	328
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(118)	(214)
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)	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>114</b>	<b>114</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	114	232
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>114</b>	<b>232</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	16
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

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

7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	275	275
7.4 <b>Total financing facilities</b>	275	275
7.5 <b>Unused financing facilities available at quarter end</b>		-
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.		
Loans received from the following: <ul style="list-style-type: none"> <li>• Excellence Holdings HK Ltd \$125k</li> <li>• Australia Cayenne Holdings Pty Ltd \$150k</li> </ul>		
All loans are at zero interest rate, unsecured and of no fixed term.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(118)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(118)
8.4 Cash and cash equivalents at quarter end (item 4.6)	114
8.5 Unused finance facilities available at quarter end (item 7.5)	
8.6 Total available funding (item 8.4 + item 8.5)	114
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	0.97
<i>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.</i>	
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: Yes	

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

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes.

- The Company has secured a share placement, details and terms of which are being negotiated and expected to be finalised soon.
- Further funding will be provided by Director-related entities in need.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company will be able to utilise cash from the share placement and/or Director-related entities to meet on-going operating expenses.

*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: .....23 September 2022.....

Authorised by: ..... Board of Directors.....  
(Name of body or officer authorising release – see note 4)

### 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.
2. 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.