



Orion Minerals

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Orion extends agreement to consolidate ownership of highly prospective Jacomynspan Nickel-Copper-PGE Project, South Africa

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) advises that it has reached agreement to extend the final completion deadline date of a previously announced transaction to acquire the remaining vendor interests at its highly prospective **Jacomynspan Nickel-Copper-PGE Project**, located 65km north of its Prieska Copper-Zinc-Project in South Africa (**Jacomynspan Project**).

Orion and the other current shareholders in the Jacomynspan Project have extended the date by which the agreement must become unconditional from 27 February 2022 to 30 April 2022, with the extension providing additional time for the parties to discuss a potential expanded and revised transaction whereby additional prospective Southern African nickel projects will be combined with the Jacomynspan Project (**New Transaction**).

Background to the Jacomynspan Sale Agreement

In September 2017, Orion entered into a binding earn-in agreement to acquire the earn-in rights over the Jacomynspan Project from two companies, Namaqua Nickel Mining (Pty) Ltd and Disawell (Pty) Ltd (**Namaqua Disawell Companies**), which hold partly overlapping prospecting rights (some of which may be subject to amendment) and a mining right (which is subject to notarial execution).

On 13 July 2020, the Company announced that it had entered into an agreement whereby Orion (or its nominated subsidiary) would acquire the remaining shares in the Namaqua Disawell Companies held by the other shareholders in the Namaqua Disawell Companies (**Selling Shareholders**) (refer ASX / JSE release 13 July 2020). The transaction was designed to simplify the ownership and management structure of the Jacomynspan Project.

On 31 August 2020, the parties entered into a comprehensive formal written agreement incorporating the principal terms and conditions set out in the initial agreement (**Sale Agreement**). The Sale Agreement is subject to the satisfaction or waiver of specified suspensive conditions.

While certain suspensive conditions have been fulfilled, the Sale Agreement remains subject to the satisfaction or waiver of certain remaining suspensive conditions, including that, on or before 27 February 2022 (**Final Completion Deadline Date**), all regulatory approvals as may be required for the purposes of implementing the transaction have been received.

Extension of the Final Completion Deadline Date

The parties to the Sale Agreement have now agreed to extend the Final Completion Deadline Date from 27 February 2022 to 30 April 2022. During this period, Orion and the Selling Shareholders will aim to negotiate a potential New Transaction and to reach agreement in relation to the key principal commercial terms of the potential New Transaction (**Initial Agreement**).

Should this occur, the Final Completion Deadline Date will be automatically further extended to 30 September 2022. During this time, the parties will then seek to finalise a comprehensive formal written agreement incorporating the principal terms and conditions set out in the Initial Agreement. If the parties are unable to enter into the Initial Agreement on or before 30 April 2022, the Sale Agreement will terminate and the parties will be restored to their respective positions as at 28 February 2022.

Since finalising the earn-in agreement, Orion has advanced exploration programs on the Jacomynspan Project, with expenditure held in a shareholder loan account and Orion is now entitled to a total interest of 50% (subject to, *inter alia*, certain regulatory approvals) in the Jacomynspan Project.

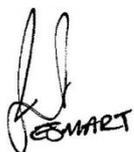
Orion is the manager and operator of the joint venture. Orion's earn-in is held via its wholly-owned subsidiary company, Areachap Investments 3 B.V., and its South African subsidiary company, Area Metals Holdings No 3 (Pty) Ltd.

About the Jacomynspan Project

The Jacomynspan Project, located on the Namaqua Disawell Companies mining and prospecting rights, contains an intrusive-hosted, sulphide JORC Ni-Cu-PGE Mineral Resource of 6.8Mt containing 39,000 tonnes nickel at 0.5% Ni, 22,000 tonnes Copper at 0.3% Cu and 1,800 tonnes cobalt at 0.03% Co, drilled between 1971 and 2012 (refer ASX / JSE release 23 September 2021).

Importantly, the Mineral Resource remains open along strike and down-dip, presenting a compelling exploration opportunity.

For and on behalf of the Board.



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