



Orion Minerals

ASX/JSE RELEASE: 15 April 2019

Response to Media Speculation

Orion Minerals Ltd (**ASX/JSE: ORN**) (**Orion** or **Company**) notes recent media speculation regarding the Company undertaking an \$8M capital raising priced at \$0.04 per fully paid ordinary share (**Share**), being a 30% premium to its last ASX traded price, and that South African investors will subscribe for about half the shares on offer in the placement as part of the Company's Black Economic Empowerment obligations with Orion's biggest shareholder, London-based Tembo Capital, taking another significant chunk of shares.

On 11 April 2019 the Company requested that the ASX place an immediate trading halt on the Company's securities and today the Company requested that its securities be placed in voluntary suspension from the commencement of today's trading (**Voluntary Suspension**). The Voluntary Suspension was put in place by the ASX pending release of an announcement in relation to a capital raising and finalisation of agreements related to restructuring of the Company's Broad Based Black Economic Empowerment (B-BBEE) partnerships.

In response to these reports, Orion confirms that it is in the process of undertaking a pivotal capital raising of approximately \$8M capital raising at an issue price of \$0.04 per Share, together with one free attaching option for every two Shares issued (exercise price of \$0.05 and a term of approximately six months), to be conducted via a placement to sophisticated and professional investors (**Capital Raising**).

The Capital Raising is likely to be underpinned by a group of high-profile black South African investors as part of a broader restructuring of the Company's Black Empowerment Equity at operating level, achieving compliance with the South African Mining Charter 3.

The interrelated transactions will represent a pivotal milestone for Orion ahead of the expected imminent grant of the Mining Right for its flagship Prieska Zinc-Copper Project (**Prieska Project**), in South Africa's Northern Cape Province and the delivery of the Bankable Feasibility Study later this quarter.

In addition to strengthening its balance sheet as it moves towards project financing, the transactions will result in the introduction of a high-profile South African investor group to its share register, ensure an appropriate alignment and restructuring of its Black Economic Empowerment interests across both project and listed company levels, and significantly elevate its profile amongst South African institutional investors as it prepares to develop the Prieska Project.

The Company anticipates making a material announcement in relation to the proposed capital raising upon cessation of the Voluntary Suspension, which the Company anticipates will end at the commencement of trading on Tuesday, 16 April 2019.

The Company confirms that it is in compliance with ASX Listing Rule 3.1 (Continuous Disclosure).

Denis Waddell
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ENQUIRIES

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