



Orion Minerals

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Landmark \$25M capital raising to super-charge Orion's Northern Cape copper development strategy

Strongly-supported share placement underpinned by leading Australian and global institutional investors

- ▶ **Successful two-tranche Share Placement to sophisticated and professional investors to raise \$25M at \$0.036 per share.**
- ▶ **Strong demand received from key institutional investors, with several new South African and Australian institutions introduced to the register alongside key European and North American investors.**
- ▶ **Funds to be used to advance Orion's strategy of re-establishing the Northern Cape Province in South Africa as a globally significant copper producer.**
- ▶ **Proceeds to be used to fund early-stage works at the fully-permitted and development-ready Prieska Copper-Zinc Project as well as the potential acquisition of the advanced Okiep Copper Complex (OCC) and a major exploration push at OCC and the Areachap Province.**

Orion Minerals Limited (ASX/JSE: ORN) (Orion or the Company) is pleased to announce a strongly-supported **\$25 million capital raising** to fast-track its strategy of developing two significant long-term base metal production centres in South Africa's Northern Cape Province.

The landmark capital raising, which was strongly supported by leading Australian and global institutions, high net worth and strategic investors, will give it the capability to:

- Progress its development-ready **Prieska Copper-Zinc Project** to a Final Investment Decision in the second half of 2021, undertake early-works and secure a comprehensive project funding package;
- Undertake resource evaluation and exploration activities at the **Okiep Copper Complex (OCC)**, complete the potential acquisition of this advanced copper development asset and progress it rapidly towards a near-term production scenario; and
- Progress a significant exploration effort, both at the OCC Project and across numerous recently defined near-mine and regional exploration targets across the Areachap Province of the Northern Cape.

Share Placement Details

The capital raising, which is being conducted via a two-tranche placement to sophisticated and professional investors, pursuant to Section 708A of the Corporations Act 2001 (**Placement**), comprises ~694.4 million shares at an issue price of \$0.036 per fully paid ordinary share (**Share**).

The Placement was strongly supported by Australian and international institutional investors, including a number of South African institutional investors. The proceeds of the Placement will significantly strengthen Orion's balance sheet, allowing it advance both the Prieska and OCC assets while also progressing a multi-pronged exploration campaign across the Northern Cape Province.

It is proposed that the Placement will occur in two stages, being:

- Tranche 1 – 490 million Shares, using the Company's 15% placement capacity under ASX Listing Rule 7.1 to raise \$17.6 million (before costs); and
- Tranche 2 – 204 million Shares to raise \$7.4 million (before costs), including \$2 million from Orion non-executive Director Tom Borman, (subject to shareholder approval, to be sought at a general meeting of Orion shareholders planned to be held in April 2021).

Tranche 1 of the Placement is not subject to shareholder approval, with Tranche 1 Placement Shares expected to be issued on or around 5 March 2021.

Petra Capital Pty Limited and Jett Capital Advisors, LLC acted as joint lead managers and joint bookrunners to the Placement and have been supported in South Africa by Webb Street Capital.

Orion's Chairman, Denis Waddell, said:

"We are delighted with the very strong support for the Placement and welcome a number of key Australian and offshore institutional investors to the register. We are especially pleased that the Placement received significant in-country support from a number of South African institutional investors.

"Orion has a unique opportunity to re-establish the Northern Cape Province as a globally significant copper producer at a time when demand for 'future-facing' metals like copper is being driven by an unprecedented decarbonisation push globally.

"Thanks to the hard work of our team in South Africa over the past five years, led by Errol Smart, we have established a hard-won position at the forefront of what could be a new era of mining and exploration for the Northern Cape Province, bringing significant upside exposure for shareholders and enormous opportunities and benefits to communities across the region.

"We now have not one but two high-quality development opportunities in front of us, each with exceptional exploration upside. Collectively, I have every confidence that the Prieska and Okiep Projects will transform Orion Minerals into a leading international base metal producer over the next few years with an enviable exploration portfolio that will underpin a truly exciting future."

Orion's Managing Director, Errol Smart, said:

"This is a transformational capital raising for Orion which marks the culmination of many years of hard work, firstly to bring the Prieska Project to the point where it is now one of the very few fully-permitted and development-ready base metal projects anywhere in the world. Our more recent OCC transaction is also a game-changer for the Company, bringing an outstanding asset in a premier copper mining district into our portfolio which we believe can be brought into production relatively quickly.

"The funds raised will allow us to advance both projects rapidly towards development, while also undertaking a multi-pronged exploration effort which we believe could deliver some very exciting results over the next few months.

"The surge in recent trading of Orion shares on both ASX and JSE – with the JSE actually recording more than 60% of trades for the past few weeks – endorses a groundswell of support for our strategy in the Northern Cape and indicates that we have struck a nerve with investors who have been strong buyers on market. We would also like to thank the investors who have participated in this capital raising, including existing shareholders who have backed our strategy from the outset, and the new institutions who are joining for the first time. This raise is one of the biggest financings for a South African focused junior exploration and development company in recent years and possibly signals a move in sentiment for a country with incredible under-explored and underdeveloped mineral wealth.


"This is an exciting moment in Orion's journey and we really look forward to what we can deliver for shareholders over the rest of this year and beyond."

General Meeting

The Company will seek the required shareholder approvals for Tranche 2 of the Placement, at a General Meeting of shareholders planned to be held in April 2021.

Appendix 3B filings for the proposed issue of Shares will follow this announcement.

For and on behalf of the Board.



Errol Smart
Managing Director and CEO

ENQUIRIES

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