



**Orion Minerals<sub>NL</sub>**

## **NOTICE OF GENERAL MEETING**

to be held on

**Wednesday, 13 December 2017 at 4:00 p.m. (AWST) at**

**RSM Australia Pty Ltd, Level 32, 2 The Esplanade, Perth, Western Australia**

**and**

## **EXPLANATORY MEMORANDUM**

**This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.**

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## KEY DATES

Record date to determine shareholders who are entitled to receive the Notice of Meeting	4:00 p.m. (AWST)	Tuesday, 7 November 2017
Last day to trade for shareholders on South African Share register in order to be entitled to vote at the Meeting	4:00 p.m. (AWST)	Wednesday, 6 December 2017
Voting record date	4:00 p.m. (AWST)	Monday, 11 December 2017
Deadline for lodgement of proxy forms for Meeting (ASX Share register)	4:00 p.m. (AWST)	Monday, 11 December 2017
Deadline for lodgement of proxy forms for Meeting (JSE Share register)	4:00 p.m. (AWST)	Wednesday, 6 December 2017
General Meeting	4:00 p.m. (AWST) / 10:00 a.m. (SA Time)	Wednesday, 13 December 2017

## TIME AND PLACE OF MEETING AND HOW TO VOTE

### Venue

The General Meeting of Orion Minerals NL (ACN 098 939 274) will be held at **4:00 p.m. (AWST) (10:00 a.m. SA Time) on Wednesday, 13 December 2017 at:**

RSM Australia Pty Ltd  
Level 32, 2 The Esplanade  
Perth, Western Australia

### Your Vote is Important

The business of the General Meeting affects your shareholding and your vote is important.

### Voting in Person

To vote in person, attend the General Meeting on the date and at the place set out above.

### Voting by Proxy and Corporate Representatives

To vote by proxy, your Proxy Form must be received by the Company by no later than **4:00 p.m. (AWST) on Monday, 11 December 2017**. Proxy Forms can be lodged:

By mail:	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235	Link Market Services South Africa (Pty) Ltd PO Box 4844 Johannesburg, 2000
By facsimile:	(+61 2) 9287 0309	Not applicable
By email:	Not applicable	<a href="mailto:meelfax@linkmarketservices.co.za">meelfax@linkmarketservices.co.za</a>
Online:	Shareholders may submit their proxy instruction online on the Company's Share Registry by visiting <a href="http://www.linkmarketservices.com.au">www.linkmarketservices.com.au</a> . Select 'Investor Login'. Refer to 'Single Holding' and enter Orion Minerals NL or the ASX code (ORN) in the Issuer Name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and Security Code which is shown on the screen and click 'Login'. Select 'Vote' under the 'Action' header and then follow the prompts to submit your proxy online. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.	

A shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy, who need not be a shareholder of the Company. A proxy may be an individual or a body corporate. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If a shareholder appoints two proxies and their appointment does not specify the proportion or number of the shareholder's votes the proxy may exercise, each proxy may exercise one half of the shareholder's votes. If a shareholder appoints two proxies, neither may vote on a show of hands.

Shareholders and their proxies should be aware that if proxy holders vote, they must cast all directed proxies as directed, and any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The proxy form must be signed by the shareholder or the shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act.

The proxy form and the power of attorney (if any) under which it is signed (or a certified copy of it) must be received at the Company's Share Registry **at least 48 hours before the commencement of the General Meeting or any adjournment of that meeting**.

If a representative of a corporate shareholder or a corporate proxy is to attend the meeting pursuant to section 250D of the Corporations Act, a certificate of appointment of the representative must be produced prior to the admission to the meeting. A form of certificate of appointment can be obtained from the Company's registered office.

### Voting Entitlements

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each shareholder for the purposes of ascertaining the voting entitlements for the General Meeting will be as it appears in the Share register at **4.00 p.m. (AWST) on 11 December 2017**.

### Attendance via teleconference

Shareholders may join the meeting via conference call, however, no voting rights will apply. Details on how to access the conference call will be available on the Company's website, [www.orionminerals.com.au](http://www.orionminerals.com.au).

## Notice of General Meeting

Notice is given that the General Meeting of the Shareholders of Orion Minerals NL (**Company**) will be held at RSM Australia Pty Ltd, Level 32, 2 The Esplanade, Perth, Western Australia on Wednesday, 13 December 2017 commencing at 4:00 p.m. (AWST).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

### Agenda

#### Resolution 1 – Ratification of Prior Issue – Placement 1 Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 144,583,329 Shares, at an issue price of \$0.024 each, on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### Resolution 2 – Approval to Issue Shares – Placement 2 Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 84,583,333 Shares, at an issue price of \$0.024 each, on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### Resolution 3 – Approval to Issue Shares – Denis Waddell

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 10,416,667 Shares to Denis Waddell (or his nominee), at an issue price of \$0.024 each, on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by Denis Waddell (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

#### Resolution 4 – Approval to Issue Shares – Top-up Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 60,000,000 Shares, at a deemed issue price of \$0.024 each, on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Resolution 5 – Cancellation of Forfeited Partly Paid Shares**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*"That, in accordance with section 258D of the Corporations Act and for all other purposes, approval is given for the Company to cancel 58,775 partly paid shares (being all of the partly paid shares currently on issue), withdrawn from sale at the public auction held on 7 August 2008 and held by the Directors in trust for the Company on the terms and conditions set out in the Explanatory Memorandum."*

**Resolution 6 – Change of Company Status and Name – No Liability to Limited**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, subject to the passing of Resolution 5, for the purposes of section 162 of the Corporations Act and for all other purposes, approval is given to change the status of the Company from a public no liability company to a public company limited by shares resulting in the Company's name being altered from Orion Minerals NL to Orion Minerals Limited."*

**Resolution 7 – Replacement of Constitution**

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

*"That, subject to Resolutions 5 and 6, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to repeal its existing Constitution and adopt a new constitution in its place in the form as signed by the chairman of the Meeting for identification purposes."*

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DATED: 8 November 2017

By Order of the Board



Martin Bouwmeester  
**Company Secretary**

## Explanatory Memorandum to accompany Notice of General Meeting

This Explanatory Memorandum has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the General Meeting.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

### **Background to Resolutions 1, 2 and 3 - Capital Raising**

As announced on 30 October 2017, the Company is undertaking a proposed capital raising to raise up to \$5.50 million through the issue of up to 229,166,662 Shares at an issue price of \$0.024 per Share and in addition, Shareholder approval is being sought for the Company's Chairman, Mr Denis Waddell, to subscribe for additional Shares at the same issue price of \$0.024 per Share (together the **Capital Raising**). It is intended that the Capital Raising will be conducted via two tranches and the additional issue to Mr Denis Waddell.

- (a) **Tranche 1:** On 3 November 2017, the Company completed the first stage of the Capital Raising by issuing 144,583,329 Shares at \$0.024 per Share to raise \$3,470,000 (**Placement 1**). The Placement 1 Shares did not require Shareholder approval under the ASX Listing Rules as they were issued pursuant to the Company's capacity under ASX Listing Rule 7.1. However, ratification of the issue will be sought from members to allow for future equity fundraising flexibility (refer to Resolution 1 below for further details).
- (b) **Tranche 2:** The second stage of the Capital Raising involves a further placement of up to 84,583,333 Shares to raise up to a total of \$2,030,000 (**Placement 2**) which is subject to Shareholder approval pursuant to Listing Rule 7.1 (refer to Resolution 2 below for further details).
- (c) **Issue to Denis Waddell:** The third stage of the Capital Raising involves the issue of up to 10,416,667 Shares to Denis Waddell to raise up to \$250,000 on the same terms as Placements 1 and 2. Mr Waddell's participation is subject to Shareholder approval in accordance with Listing Rule 10.11 (refer to Resolution 3 below for further details).

All Shares to be issued under Placements 1 and 2 of the Capital Raising will be issued to sophisticated and professional investors, none of whom are related parties or associates of the Company.

### **Resolution 1 – Ratification of Prior Issue – Placement 1 Shares**

#### **General**

On 3 November 2017, the Company issued 144,583,329 Shares at an issue price of \$0.024 per Share to raise \$3,470,000, as the first stage of the Capital Raising.

Resolution 1 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

#### **Technical information required by ASX Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Ratification:

- (a) 144,583,329 Shares were issued;
- (b) the issue price was \$0.024 per Share;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares were issued to sophisticated or professional investors in accordance with sections 708(8) and (11) of the Corporations Act, as selected by the Company. None of the subscribers were related parties of the Company; and
- (e) the funds raised will be used to progress the resource drilling campaign at the Company's Prieska Zinc-Copper Project in South Africa, to continue exploration programs on the Company's Northern Cape South African tenements and for general working capital purposes.

#### **Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 1. Each Director intends to vote the Shares they control in favour of Resolution 1.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 1.

**Resolution 2 – Approval to Issue Shares – Placement 2 Shares****General**

Resolution 2 seeks Shareholder approval for the issue of the Placement 2 Shares, being up to 84,583,333 Shares at an issue price of \$0.024.

A summary of ASX Listing Rule 7.1 is set out on page 6 above.

The effect of Resolution 2 will be to allow the Company to issue the Shares pursuant to Placement 2 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

**Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Placement 2:

- (a) the maximum number of Shares to be issued is 84,583,333;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the issue price will be \$0.024 per Share;
- (d) the Shares will be issued to sophisticated or professional investors in accordance with sections 708(8) and (11) of the Corporations Act, as selected by the Company. None of the subscribers will be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised to progress the resource drilling campaign at the Company's Prieska Zinc-Copper Project in South Africa, to continue exploration programs on the Company's Northern Cape South African tenements and for general working capital purposes.

**Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 2. Each Director intends to vote the Shares they control in favour of Resolution 2.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 2.

**Resolution 3 – Approval to Issue Shares – Denis Waddell****Background**

As previously explained, the Company is undertaking a Capital Raising. Denis Waddell intends to participate in the Capital Raising up to \$250,000, on the same terms as Placements 1 and 2. The Company seeks Shareholder approval to issue up to 10,416,667 Shares to Denis Waddell (or his nominee), in accordance with Listing Rule 10.11, arising from the participation by Denis Waddell in the Capital Raising (**Participation**).

**Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Participation will result in the issue of Shares which constitutes giving a financial benefit and Denis Waddell is a related party of the Company by virtue of being a Director.

The Directors (other than Denis Waddell who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Participation because the Shares will be issued to Denis Waddell on the same terms as Shares issued to non-related party participants in the Capital Raising and as such the giving of the financial benefit is on arm's length terms.

**ASX Listing Rule 10.11**

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Shares to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

#### **Technical Information required by ASX Listing Rule 10.13**

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolution 3:

- (a) the Shares will be granted to Denis Waddell (or his nominee) who is a related party by virtue of being a Director;
- (b) the maximum number of Shares to be issued is 10,416,667;
- (c) the Shares will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.024 per Share, being the same as all other Shares issued under the Capital Raising;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the funds raised will be used to progress the resource drilling campaign at the Company's Prieska Zinc-Copper Project in South Africa, to continue exploration programs on the Company's Northern Cape South African tenements and for general working capital which is the same as all other funds raised under the Capital Raising as set out in Resolutions 1 and 2 of this Explanatory Memorandum.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Shares under the Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Denis Waddell (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

#### **Directors' recommendation and voting intentions**

The Directors (excluding Denis Waddell) recommend that Shareholders vote in favour of Resolution 3. Each Director (excluding Denis Waddell) intends to vote the Shares they control in favour of Resolution 3.

#### **Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 3.

### **Resolution 4 – Approval to Issue Shares – Top-up Shares**

#### **General**

As announced on 12 April 2017, the Company entered a formal placement agreement in respect of a placement and strategic relationship with Tembo Capital Mining Fund II LP and its affiliated entities (**Tembo**) pursuant to which Tembo was granted an anti dilution right to maintain its percentage holding in the Company where the Company conducts subsequent equity raisings (**Top-up Right**). Any securities issued under the Top-Up Right are to be issued for cash consideration that is no more favourable than the cash consideration to be paid by third parties under the relevant equity raising.

Tembo's interest in the Company will be diluted as a result of the Capital Raising. Accordingly, under the Top-up Right the Company will be required to offer Tembo the right to subscribe for that number of Shares which would allow Tembo to maintain its percentage holding in the Company (**Top-up Shares**) at an issue price of \$0.024. Assuming that all Shares under the Capital Raising are issued the maximum number of Top-up Shares to be offered to Tembo is 60,000,000 Shares. Resolution 4 seeks Shareholder approval for the issue of the maximum Top-up Shares at a deemed issue price of \$0.024, which is the same issue price as the Shares being offered under the Capital Raising.

A summary of ASX Listing Rule 7.1 is set out on page 6 above.

The effect of Resolution 4 will be to allow the Company to issue the Top-up Shares during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

The Company also confirms that as announced on 18 August 2017, Orion entered into a loan facility agreement with Tembo pursuant to which Tembo has advanced funds to the Company (**Loan Facility**). The Company intends that the Top-Up Shares will be issued in consideration for reducing the amount re-payable to Tembo under the Loan Facility at the deemed issue price of \$0.024 per Share.

#### **Technical information required by ASX Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Top-up Shares:

- (a) the maximum number of Shares to be issued is 60,000,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (c) the deemed issue price will be \$0.024 per Share however the Company will not receive any funds as the funds for the Top-up Shares will be applied to reducing the amount payable re-payable to Tembo under the Loan Facility;
- (d) the Shares will be issued to Tembo or its nominees who are not related parties of the Company;

- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company will not receive any funds from the issue as the funds will be applied to reducing the amount to repayable to Tembo under the Loan Facility, calculated at a deemed issue price of \$0.024 per Share.

**Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 4. Each Director intends to vote the Shares they control in favour of Resolution 4.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 4.

**Resolution 5 – Cancellation of Forfeited Partly Paid Shares**

Section 254Q(8) of the Corporations Act allows for forfeited shares offered for sale at a public auction to be withdrawn from sale if no bid at least equal to the reserve price was received. The withdrawn partly paid shares must then be disposed of in the manner determined by the Company in accordance with its constitution or by resolution.

Section 258D of the Corporations Act allows for forfeited shares to be cancelled by resolution at a general meeting.

On 26 June 2008, the Company announced its call for unpaid monies on the 2,351,000 partly paid shares (which has since become 58,775 partly paid shares following the consolidation of capital which occurred on 23 November 2012). Subsequent to that call, 2,351,000 partly paid shares were forfeited as a result of the call on those shares being unpaid. A public auction was held on 7 August 2008, however none of the forfeited partly paid shares were sold. Subsequently, the unsold 2,351,000 partly paid shares (being 58,775 on a post November 2012 consolidation basis) were withdrawn from sale as no bid at least equal to the reserve price was made at the sale. The forfeited partly paid shares have been held by the Directors in trust for the Company since 7 August 2008.

The Directors therefore seek Shareholder approval to cancel all of the Company's forfeited partly paid shares currently on issue.

**Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 5. Each Director intends to vote the Shares they control in favour of Resolution 5.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 5.

**Resolution 6 – Change of Company Status and Name – No Liability to Limited**

Resolution 6 seeks Shareholder approval for the Company to change its status from a public no liability company limited by shares to a public company limited by shares. Section 162 of the Corporations Act specifically provides that a public no liability company limited by shares may change its status to a public company limited by shares by the members of the company passing a special resolution to that effect.

The Directors are of the view that public companies limited by shares are the most common type of company listed on the ASX. As such, the proposed change to a public company limited by shares will improve the Company's ability to raise capital and pursue its business objectives using a capital structure that is more readily understood by investors and their advisors.

In addition to only engaging in businesses related to mining, a principal difference between a no liability company and a company limited by shares is that a shareholder of a no liability company has no obligation to pay calls on their shares, although their shares are liable to be forfeited if they do not do so.

In contrast, a shareholder of a company limited by shares has a contractual obligation to pay any amount unpaid on their shares in the event of a call of the unpaid amount, and may be sued if they fail to pay such a call.

Subject to the passing of Resolution 5, the Company will not have any partly paid shares on issue, and the matter of payment for partly paid shares would be of practical importance only if you accepted an offer by the Company of partly paid shares in the future.

Current shareholders, all of whom hold fully paid shares, have no obligation to contribute further funds to the Company. If the Company did offer partly paid shares for subscription the maximum liability of the holders of such shares would be the amount unpaid on the share. The change from a no liability company to a company limited by shares will not affect the Company's existing property, rights or obligations.

The change of company status will result in the Company's name being altered from Orion Minerals NL to Orion Minerals Limited.

If Resolution 6 is passed at the Meeting by the requisite majority, the Company will apply to ASIC to change the company type and name. In accordance with the Corporations Act, ASIC is required to publish a notice in the Commonwealth Gazette that states that it intends to alter the details of the Company's registration. If there have been no objections, the change will take effect one month after the notice is published in the Commonwealth Gazette.

**Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 6. Each Director intends to vote the Shares they control in favour of Resolution 6.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 6.

**Resolution 7 – Replacement of Constitution****Background**

The current constitution of the Company was adopted in its capacity as a public no liability company. Subject Shareholders approving Resolutions 5 and 6, in order for the Company to change its status from a public no liability company to a public company limited by shares consequent changes will need to be made in the Constitution.

The Directors have taken the opportunity to adopt a new constitution customary for a listed company limited by shares. The proposed new constitution is not significantly inconsistent with the existing Constitution. A number of the changes are noted below. However, a specific amendment regards the rules on or relating to partly paid shares, which has been amended in order to ensure it is consistent with the change of the Company's status to a public company limited by shares.

**General**

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 7 is a special resolution which will enable the Company to repeal its existing Constitution and adopt a new constitution (**Proposed Constitution**) which is of the type required for a listed public company limited by shares updated to ensure it reflects the current provisions of the Corporations Act and ASX Listing Rules.

This will incorporate amendments to the Corporations Act and ASX Listing Rules since the current Constitution was adopted in June 2009.

The Directors believe that it is preferable in the circumstances to replace the existing Constitution with the Proposed Constitution rather than to amend a multitude of specific provisions.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature including but not limited to:

- (a) updating the name of the Company to that adopted in Resolution 6;
- (b) updating to incorporate the changes required for the new status adopted in Resolution 6;
- (c) updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- (d) expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

The Directors believe these amendments are not material nor will they have any significant impact on Shareholders. It is not practicable to list all of the changes to the Constitution in detail in this Explanatory Memorandum, however, a summary of the proposed material changes is set out below.

A copy of the Proposed Constitution is available for review by Shareholders at the Company's website [www.orionminerals.com.au](http://www.orionminerals.com.au) and at the office of the Company. A copy of the Proposed Constitution can also be sent to Shareholders upon request to the Company Secretary (+61 3 8080 7170). Shareholders are invited to contact the Company if they have any queries or concerns.

**Summary of material proposed changes****Minimum Shareholding (clause 3)**

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

**Fee for registration of off market transfers (clause 8.4(c))**

On 24 January 2011, ASX amended ASX Listing Rule 8.14 with the effect that the Company may now charge a "reasonable fee" for registering paper-based transfers, sometimes referred to "off-market transfers".

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

**Directors' recommendation and voting intentions**

The Directors recommend that Shareholders vote in favour of Resolution 7. Each Director intends to vote the Shares they control in favour of Resolution 7.

**Voting intention**

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 7.

## Glossary

**\$** means Australian dollars.

**Associate** has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a child entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the Listing Rules of ASX.

**AWST** means Australian Western Standard Time.

**Board** means the current board of directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Capital Raising** has the meaning set out in the Background to Resolutions 4 and 5.

**Company** or **Orion** means Orion Minerals NL (ACN 098 939 274).

**Constitution** means the Company's constitution, as amended from time to time.

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

**Directors** means the current directors of the Company.

**Explanatory Memorandum** means the explanatory memorandum accompanying the Notice.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

**Placement 1** has the meaning set out in the Background to Resolutions 1, 2 and 3.

**Placement 2** has the meaning set out in the Background to Resolutions 1, 2 and 3.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**SA Time** means South African time.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**Share Registry** means Link Market Services Limited.



Orion Minerals NL

ABN 76 098 939 274

### LODGE YOUR VOTE

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
Orion Minerals NL  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138;

**ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474



X99999999999

## PROXY FORM

I/We being a member(s) of Orion Minerals NL and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held at **4:00pm (Perth Time) on Wednesday, 13 December 2017 at RSM Australia Pty Ltd, Level 32, 2 The Esplanade, Perth, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

**The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.**

In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

#### Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of Prior Issue – Placement 1 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Cancellation of Forfeited Partly Paid Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval to Issue Shares – Placement 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Change of Company Status and Name – No Liability to Limited	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Issue Shares – Denis Waddell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7 Replacement of Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to Issue Shares – Top-up Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

STEP 3

ORN PRX1704A



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **4:00pm (Perth Time) on Monday, 11 December 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MAIL

Orion Minerals NL  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATION PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**