

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Orion Gold NL

ABN

76 098 939 274

Quarter ended ("current quarter")

30 June 2015

#### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	---	---
1.2	Payments for (a) exploration & evaluation	(867)	(3,269)
	(b) development	---	---
	(c) production	---	---
	(d) administration	(107)	(835)
1.3	Dividends received	---	---
1.4	Interest and other items of a similar nature received	13	21
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes received/(paid)	---	1,221
1.7	Other (provide details if material)	1	114
	<b>Net Operating Cash Flows</b>	<b>(961)</b>	<b>(2,751)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	---	---
	(b) equity investments	---	---
	(c) other fixed assets	---	(11)
1.9	Proceeds from sale of: (a) prospects	---	---
	(b) equity investments	---	---
	(c) other fixed assets	---	---
1.10	Loans to other entities	---	---
1.11	Loans repaid by other entities	---	---
1.12	Other (provide details if material)	---	24
	<b>Net investing cash flows</b>	<b>---</b>	<b>13</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(961)</b>	<b>(2,738)</b>

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1.13	Total operating and investing cash flows (brought forward)	(961)	(2,738)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	---	1,640
1.15	Proceeds from sale of forfeited shares	---	---
1.16	Proceeds from borrowings	---	340
1.17	Repayment of borrowings	---	---
1.18	Dividends paid	---	---
1.19	Other (provide details if material)	---	---
	<b>Net financing cash flows</b>	---	1,980
	<b>Net increase (decrease) in cash held</b>	(961)	(758)
1.20	Cash at beginning of quarter/year to date	1,079	876
1.21	Exchange rate adjustments to item 1.20	---	---
1.22	<b>Cash at end of quarter</b>	118	118

### Payments to directors of the entity and associates of the directors, related entities of the entity and associates of the related entities

		Curent quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	19
1.24	Aggregate amount of loans to the parties included in item 1.10	---
1.25	Explanation necessary for an understanding of the transactions	
Payments to directors and associates were on normal commercial terms. These payments represent director fees and payments in terms of consultancy agreements with director-related entities.		

+ See chapter 19 for defined terms.

## **Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

No non cash financing and investing activities were made during the quarter.

On 30 July 2015 the Company announced that it had finalised loan agreements for a total of \$1,000,000. A \$500,000 loan facility has been agreed with Silja Investment Limited ('Silja'), the Company's largest shareholder, and a \$500,000 loan facility has been agreed with Tarney Holdings Pty Ltd ('Tarney'), a company associated with the Company's Chairman, Mr Denis Waddell (together the 'Facilities').

Under the terms of the Facilities, the Company may elect to convert cash drawn down under the Facilities into shares, subject to shareholder approval. In certain circumstances, including where the Company elects to repay the Facilities in cash, or announces a proposed capital raising, the financiers can elect to convert cash drawn down under the Facilities into shares subject to approvals.

Any shares issued to Silja and Tarney upon conversion will be issued at the lowest price at which the Company issues any shares or announces to the ASX its intent to issue shares under a capital raising, between the date of the Facilities and the date that an election is made by Orion or the financiers to convert cash drawn down under the Facilities into shares. Should the Company not issue shares under a capital raising during this period, any shares issued to Silja and Tarney upon conversion will be issued at the VWAP of Orion shares as traded on the ASX in the ten trading days prior to the issue of shares to Silja and Tarney.

The term of the Facilities is 31 December 2015 (unless otherwise agreed by the parties).

Silja and Tarney each have the discretion as to whether to make an advance to the Company upon receipt of each draw-down notice. No interest or facility fees are payable by the Company to either Silja or Tarney and no capital raising fee would be payable by the Company to Silja or Tarney where it subscribes for its share allocation in a capital raising. The Silja facility is secured against all present and after-acquired property of the Company.

To date, the Company has not drawn on the Tarney Facility. The Silja Facility has a loan balance of \$140,000 as a result of an agreement between the Company and Silja to transfer the amount that the Company drew down under the Silja loan facility announced to the ASX on 26 August 2014 and which expired on 30 June 2015, to the Silja Facility.

For further information, refer to the Company's June 2015 Quarterly Report.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

There were no changes during the quarter.

## **Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities – refer to 2.1	1,000	140
3.2 Credit standby arrangements	---	---

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#### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation (assuming fund raising initiatives are completed)	350
4.2	Development	---
4.3	Production	---
4.4	Administration	250
<b>Total</b>		<b>600</b>

#### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	118	1,079
5.2	Deposits at call	---	---
5.3	Bank overdraft	---	---
5.4	Other (provide details)	---	---
<b>Total: cash at end of quarter (item 1.22)</b>		<b>118</b>	<b>1,079</b>

#### Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	<b><u>VIC Exploration Licence</u></b> EL3311	Relinquished	100%	0%
		<b><u>WA Exploration Licence</u></b> E28/2367	Granted	0%	100%
		E69/2707	Granted	0%	70%
		<b><u>QLD Exploration Licence</u></b> EPM25763	Granted	0%	100%
		EPM25764	Granted	0%	100%
		EPM25813	Granted	0%	100%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	---	---	---	---

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**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Partly paid +securities</b> <i>(description)</i>	58,775	---	\$4.00	4 cents
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	---	---	---	---
7.3 <b>+Ordinary securities</b>	305,627,982	305,627,982	---	Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	---	---	---	---
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	---	---	---	---
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	---	---	---	---
7.7 <b>Options</b> <i>(description and conversion factor)</i>	250,000 250,000 42,500,000 9,000,000 9,000,000 9,000,000 1,000,000 1,000,000 1,000,000 3,500,000 6,000,000 6,000,000	--- --- 42,500,000 --- --- --- --- --- --- --- --- ---	<i>Exercise price</i> 4.5 cents 6 cents 19.7849 cents 14.7849 cents 24.7849 cents 34.7849 cents 14.7849 cents 24.7849 cents 34.7849 cents 24.7849 cents 24.7849 cents 34.7849 cents	<i>Expiry date</i> 30 November 2019 30 November 2019 31 August 2015 31 May 2018 31 May 2018 31 May 2018 30 April 2018 30 April 2018 30 April 2018 31 August 2015 31 July 2015 31 July 2016
7.8 Issued during quarter	---	---	---	---
7.9 Exercised during quarter	---	---	---	---
7.10 Expired during quarter	50,000 10,625 Perf. Rights	---	159.7849 cents ---	30 June 2015 30 June 2015
7.11 <b>Debentures</b> <i>(totals only)</i>	---	---		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	---	---		

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 31 July 2015

Company Secretary

Print name: Kim Hogg

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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