



Orion Minerals

ASX/JSE RELEASE: 1 July 2024

Orion announces A\$7.7 million (ZAR92.3 million) capital raising

- ▶ Firm commitments received for a Placement to sophisticated and professional investors comprising approximately 513 million Shares at an issue price of 1.5 cents per Share (ZAR18 cents) to raise ~A\$7.7 million (~ZAR92.3) million.
- ▶ Funds to be used principally to progress the development of the Prieska Copper Zinc Mine and permitting and acceleration of infrastructure development for early production in respect of the Okiep Copper Project and ongoing exploration drilling at Okiep.
- ▶ In addition to the Placement, a Share Purchase Plan will be offered to provide eligible shareholders with the opportunity to subscribe for new Shares in parcels starting from \$165 (or ZAR2,000) up to a maximum of \$30,000 (or ZAR365,000) at an issue price of 1.5 cents per Share (ZAR18 cents) to raise up to A\$5 million (or ~ZAR60 million). This will provide existing shareholders with the opportunity to participate in this capital raise at the same offer price as the Shares issued under the Placement.

Orion's Managing Director and CEO, Errol Smart, commented:

"With our two Bankable Feasibility Studies for Prieska Copper Zinc and Okiep Mines now imminent, and ongoing drilling recently delivering very impressive copper intersections at Okiep, this capital raise allows work to continue on preparation for commercial mining and on exploration, while the optimum debt funding arrangements are negotiated with funding institutions.

"We are particularly pleased to be able to offer an SPP, which allows our exceptionally strong retail shareholding, that now has more than 22 thousand individual holders, the opportunity to acquire Shares at the same price to that offered to larger professional institutional investors under the Placement."

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) is pleased to announce that it has secured firm commitments for a Placement of new fully paid ordinary shares (**Shares**) to sophisticated and professional investors to raise ~A\$7.7 million (~ZAR92.3 million) (**Placement**). Approximately 513 million Shares will be issued under the Placement, at an issue price of 1.5 cents per Share (ZAR18 cents)¹.

The Company also intends to offer a Share Purchase Plan (**SPP**) to existing eligible shareholders, providing existing eligible shareholders with an opportunity to purchase up to A\$30,000 of Shares at the same offer price as the Shares issued under the Placement.

The combined proceeds of the Placement and SPP, together with other funding sources, will enable the Company to progress the activities set out below in the Use of Funds section, while securing the development finance for the Prieska Copper Zinc Mine and the New Okiep Mines, being the Company's two key copper mine development projects.

¹ All ZAR amounts referred to in this announcement are based on an AUD:ZAR exchange rate of ~12 as at 28 June 2024.

Placement Details

The Placement to sophisticated and professional investors, which is being conducted pursuant to Section 708A of the Australian Corporations Act 2001 (Cth), comprises the issue of approximately 513 million Shares at an issue price of 1.5 cents (ZAR18 cents) per Share. The issue of these Shares falls within Orion's 15% capacity for issues of equity securities without shareholder approval afforded by ASX Listing Rule 7.1.

The Placement is expected to be completed on or around 16 July 2024.

Orion has been supported in South Africa by a local advisor and Orion has agreed to pay a fee to the local advisor of 5% of the proceeds raised in the Placement from certain South African resident investors.

Use of Funds

Orion intends to apply the funds raised from the Placement and SPP, principally to:

- progress the development of the Company's Prieska Copper Zinc Mine, including the ongoing mine dewatering, access development, concentrator plant and tailing storage facility procurement and construction and general operational readiness works;
- permitting and acceleration of infrastructure development for early production in respect of the Okiep Copper Project;
- advance mineral resource expansion and exploration on the Company's prospecting and mining rights;
- maintain all the Company's prospecting rights, to ensure timely applications for mining rights are submitted for projects in the Northern Cape of South Africa and related activities; and
- for general working capital purposes.

Share Purchase Plan

In addition to the Placement, Orion is pleased to announce a SPP to provide existing eligible shareholders an opportunity to increase their shareholding and subscribe for up to A\$30,000 worth of Shares in the Company at the same offer price as the Shares issued under the Placement. The SPP is being conducted under an Australian regulation which allows Eligible Shareholders the opportunity to subscribe for Shares up to a maximum of A\$30,000, irrespective of current shareholdings.

The Company is offering existing eligible shareholders being those shareholders with a registered address in Australia, New Zealand, South Africa, the European Union (Germany and Netherlands), Jersey (Channel Islands), United Kingdom, Mauritius and Singapore that held Orion shares as at 7.00pm (Melbourne time) on 28 June 2024 (**Record Date**) (**Eligible Shareholders**) the opportunity to purchase Shares under the SPP. The application for SPP shares will be capped at the statutory maximum of A\$30,000 per Eligible Shareholder, across all holdings. The Company is seeking to raise up to A\$5 million (or ~ZAR60 million) under the SPP, however the Board reserves the right to determine the final amount raised under the SPP and may accept oversubscriptions or scale back any application at Board's discretion.

Details of the SPP

The Company expects that the SPP will open for applications on 5 July 2024 (Orion is expecting to release the SPP booklet to the ASX on this date) and is expected to close for applications at 7:00pm (Melbourne time) on 23 July 2024.

Under the SPP, each Eligible Shareholder will be entitled to apply for parcels of new Shares from a minimum parcel of A\$165 (or ZAR2,000) up to a maximum of A\$30,000 (or ZAR365,000) without incurring brokerage or transaction costs. The issue price will be 1.5 cents per Share (being ZAR18 cents), being the same price paid by investors under the Placement (see above). This represents a 1.7% discount to the volume weighted average price (**VWAP**) of the Company's Shares trading on the ASX and a 16.1% discount to the VWAP of the Company's Shares traded on the Johannesburg Stock Exchange (**JSE**), each during the 5 trading days immediately prior to the date on which the Offer was announced and a 15% discount to the combined VWAP

of the Company's Shares on the ASX and JSE during the 10 trading days immediately prior to the announcement date of the SPP².

The Company will issue up to ~333.33 million SPP Shares under the SPP at an issue price of 1.5 cents per Share (ZAR18 cents). The Company is seeking to raise up to A\$5.0 million (or ~ZAR60 million) from the issue of SPP Shares. The Board, however, reserves the absolute discretion to determine the final amount raised under the SPP and may accept oversubscriptions or scale back any application at Board's discretion. The Board intends that any scale back will be applied on a pro-rata basis, having regard to the application size of individual applicants.

All SPP Shares will be quoted on either the ASX or JSE (for South African Eligible Shareholders) and will rank equally with other fully paid ordinary shares on issue. The SPP Shares will be issued in compliance with ASX Listing Rule 7.2, exception 5 and will not utilise the Company's placement capacity under ASX Listing Rule 7.1. No shareholder approval is necessary in respect of the Shares issued under the terms of the SPP.

The SPP booklet containing further details of the SPP and application forms is expected to be released to ASX on or around 5 July 2024. Eligible Shareholders should read the SPP booklet before deciding whether to participate in the SPP. An indicative timetable for the SPP is set out below. The Company reserves the right to vary the terms of the SPP without notice.

SPP Important Dates¹

Record Date (Melbourne time)	7:00pm on 28 June 2024
Share Purchase Plan offer opens (estimated)	5 July 2024
Share Purchase Plan offer closes (Melbourne time)	7:00pm on 23 July 2024
Share Purchase Plan allocation announcement and Scale-back (if any)	29 July 2024
Issue date for SPP Shares	30 July 2024
Quotation of new SPP Shares	31 July 2024
Dispatch of holding statements for SPP Shares	5 August 2024

¹The timetable is indicative only and Orion may vary any of the above dates in its absolute discretion at any time, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws, by lodging a revised timetable with the ASX and the JSE. Orion reserves the right to close the SPP early or to accept late applications, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to ASX. The commencement and quotation of shares offered under the Placement or the SPP is subject to confirmation from ASX.

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

² Discount represents a combined discount to the VWAP of the Company's Shares on ASX and JSE.

ENQUIRIES

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