



Orion Minerals



ANNUAL REPORT 2022

*Fully
integrated
mines from
exploration
to market*



Delivering growth and opportunity by discovering, developing and producing metals for a cleaner future

FORWARD-LOOKING STATEMENTS

This report may include forward-looking statements. Such forward-looking statements:

- Are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Orion, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies;
- Involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements; and
- May include, among other things, statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

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The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this report are qualified by the foregoing cautionary statements.

Readers of this report are cautioned that forward-looking statements are not guarantees of future performance and are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

All information in respect of Exploration Results and other technical information should be read in conjunction with Competent Person Statements in this report (where applicable) and relevant ASX announcements released by Orion.

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- Disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

ABOUT THIS REPORT

This Annual Report is a summary of the operations, activities and performance of Orion Minerals Limited ABN 76 098 939 274 and its financial position for the year ended 30 June 2022. In this report, unless otherwise stated, references to Orion Minerals, Orion, Company, we, us and our, refer to Orion Minerals Limited. Monetary amounts in this document are reported in Australian dollars (AUD, \$), unless otherwise stated.

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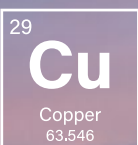
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Corporate Profile



Values



TRANSFORMATIVE

As an ethical agent and catalyst for beneficial change in society, in the economic and social well-being and in the health and safety of our people and host communities.



RESILIENT

Persistently committed to achieving the goals of our business, anticipating and facing disruption and challenges, whilst embracing change and adaptability as tools of success.



AGILE

Committed to proactively and responsively understanding and addressing the goals of our business and stakeholders, nimbly and flexibly recognising and harnessing opportunity and addressing expectations and challenges.



INNOVATIVE

Continually seeking to adapt, innovate and improve the way we conduct our business, embracing and expanding on good practices, whilst building and maintaining an industry leadership role across all facets of our business.



SUSTAINABLE

Striving for ethical business excellence and exceptional success, realistically ambitious in meeting the goals of the business and stakeholders through a balanced approach to business/economic, environmental, and social aspects, and embracing a culture of good governance.

Vision and long-term objectives

Unlocking the unique opportunity in the Northern Cape, South Africa to have an integrated value chain producing future facing metal production, bringing high ESG standards to a province with diverse, high mineral endowment and a large existing and rapidly growing renewable energy footprint.

Orion's Northern Cape mineral portfolio includes mining rights, prospecting rights and applications in progress.

The properties have significant historical mining of: Cu, Zn, Pb, Au, Ag, W with notable occurrences and diggings on Li, REE, U and large virgin deposits of Ni-Cu-Co-PGE that have been identified.



Key Achievements in 2022

PRIESKA COPPER-ZINC PROJECT, NORTHERN CAPE

- Early production assessment fast-tracked, with investigations underway into phasing project development to bring forward first concentrate production and evaluate the potential to mine remnant pillars from the historical mining operations.
- Key funding milestone achieved with an US\$87 million funding package negotiated with Canadian streaming and royalty company Triple Flag to underpin the Early Production Scenario.
- Outstanding high-grade results received from a 1,000m in-fill drilling programme targeting the +105 Level Supergene Resource to support potential early production by underground mining above the accumulated water level.
- Discussions commenced with Central Energy Corporation (**CENEC**) to investigate the potential incorporation of the Prieska Project's power requirements as part of CENEC's landmark Prieska Power Reserve™ Project, paving the way for the Prieska Project operations to be entirely powered by renewable energy and green hydrogen sources.

OKIEP COPPER PROJECT, NORTHERN CAPE

- Acquisition of Okiep Copper Project (**OC** or **Okiep Project**) commenced, along with securing +60 years of mining and exploration data previously held by the O'Okiep Copper Company. Through the Okiep Project acquisition, Orion through its subsidiaries, will directly hold the Okiep Project mineral rights and key assets.
- South Africa's Industrial Development Corporation (**IDC**) signalled its intention to become a key strategic partner to Orion in the development of the New Okiep Mining Company (a subsidiary of Orion) and the Okiep Project.
- Permitting, metallurgical test work, mine and infrastructure design and community engagement activities have been substantially progressed.
- Highly encouraging results received from a successful maiden drilling programme on the Koperberg – Carolusberg line of intrusives, confirming historically reported results and proving significant shallow mineralisation.
- A total of 16 late-time electromagnetic targets (**EM**) identified from an extensive high-powered SkyTEM™ airborne EM survey completed over the Okiep Copper Project, covering 26 historical copper mines and approximately 150 known copper prospects.
- New copper-nickel discovery made at the Nous prospect from the first drill-hole completed to test a SkyTEM™ anomaly with coincident magnetic and EM anomalies.

JACOMYNSPAN NI-CU-CO-PGE PROJECT AND METAL REFINING

- Exciting value-add beneficiation opportunity being evaluated after Orion secured an exclusivity agreement with Stratega Metals to develop a specialist battery product refining facility in the Northern Cape using Stratega's licensed refining technology.
- Agreement to consolidate ownership of the Jacomynspan Nickel-Copper-Cobalt-PGE Project (**JMP Project** or **Jacomynspan Project**) extended to provide additional time for the owners to discuss a potential expanded and revised transaction whereby additional prospective Southern African nickel projects may be combined with the JMP Project.

CORPORATE

- Capital raising commenced in June 2022:
 - Three-tranche placement to sophisticated and professional investors to raise up to \$20 million at 2.0 cents per share (being ZAR22 cents);
 - Funds raised from Tranche 1 and Tranche 2 totalled \$6 million, (with commitments for Tranche 3 currently being progressed);
 - Together with other funding sources, the capital raise will put Orion in a strong position to access the US\$87 million funding package from Triple Flag Precious Metals to underpin the early production strategy for the flagship Prieska Project; and
 - Funds to be used principally to progress mine dewatering, complete early production feasibility studies, battery precursor product production test work and continued exploration at Orion's portfolio of advanced base metal projects in South Africa.
- In addition to the capital raising, a Share Purchase Plan was offered to provide eligible shareholders with the opportunity to subscribe for new Shares in Orion at the same offer price as the Shares issued under the capital raising. The Share Purchase Plan SPP attracted strong support from shareholders, particularly those in South Africa, and closed in August 2022, raising \$1.35 million.

Orion Projects in South Africa and Australia



SOUTH AFRICA



SOUTH AFRICAN OFFICES:
Johannesburg, Gauteng

OCP, Springbok

Prieska, Northern Cape



**FRASER RANGE PROJECT:
Western Australia**



AUSTRALIA

**AUSTRALIAN HEAD OFFICE:
Melbourne, Victoria**

Orion at a Glance

STRATEGIC FOCUS

Building a high-quality pipeline of future facing base metals development and exploration assets to help drive the global green energy revolution.

KEY ASSETS

PRIESKA COPPER-ZINC MINE PROJECT (PRIESKA PROJECT)

- Globally significant VMS deposit in Northern Cape Province, South Africa, with Mineral Resources estimated at 30.49Mt at 1.2% Cu and 3.7% Zn (ASX release: 15 Jan 2019)
- Baseline Feasibility Study demonstrates a 12-year, 2.4Mtpa operation targeting production of 22ktpa copper and 70ktpa zinc at globally competitive costs, strong margins and financial returns
- Fully permitted and ready to build
- Commencing with mine dewatering ahead of the project being fully-funded, whilst investigating the option to bring forward the start of production and reduce peak funding requirements by phasing the build-up to full-scale production
- Project financing and strategic partner discussions well advanced

OKIEP COPPER PROJECT (OKIEP PROJECT)

- Compelling opportunity to develop a second base metal production hub alongside the Prieska Project
- Premier historical copper district that produced >2Mt of copper over a 150-year period ending in 2003
- Targeting initial proof-of-concept-scale copper mining operation with potential for first production within 16 months of the start of construction
- Feasibility Study underway, Mining Right granted July 2022

JACOMYNSPAN PROJECT (JMP PROJECT)

- Granted Mining Right over Ni-Cu-Co-PGE+Au Intrusive Complex
- Intrusive-hosted sulphide JORC Mineral Resource of 65Mt at 0.28% Ni, 0.19% Cu & 0.02% Co, using a cut-off of 0.2% Ni
- Potential for open pit and shallow underground mining
- Investigating innovative proprietary technology to recover battery metals and produce high-value Battery Precursor products – a value game changer

SUSTAINABLE DEVELOPMENT

- Sustainable development planned from the outset
- Focus on use of renewable energy and reduced carbon footprint
- Water conservation and recycling maximised



PROGRESSIVE AI ADOPTION

Clear roadmap, should deliver high productivity and personnel well-being gains for workforce



ECONOMIC UPLIFTMENT

Well placed to play key role in local economic recovery and community development post COVID-19



GROWTH FOCUS

Significant exploration pipeline in South Africa and Australia



IGO LIMITED FRASER RANGE

Western Australia joint venture – Key Ni-Cu targets directly along trend from recent Legend Mining discovery, with air-core drilling underway ahead of planned diamond drilling

Strategy

Orion is on track to become a new-generation Australian – South African mining company focused on the development of our portfolio of advanced projects that are planned to be sources of “green” and future-facing metals, located in South Africa's Northern Cape Province.

This includes our 70%-owned development-ready and fully-permitted Prieska Project, the Okiep Project (consolidated 56%–100% ownership), an advanced, district-scale project which is rapidly emerging as our second base metals production hub in the same region, and the JMP Project, where Orion is targeting the production of future facing-battery precursor products to be locally refined from base metal concentrates. The geographic footprint of Orion's projects within South Africa has delivered significant historical copper production over many decades.



TARGETING HIGH QUALITY DEPOSITS IN UNDER-EXPLORED DISTRICTS

Focus on exploring and developing globally significant multi-commodity base metals deposits located in outstanding mineral belts and Tier-1 mining districts such as the Areachap Province of South Africa and the Fraser Range Province of Australia.



DIVERSIFY THE MIX OF THE RIGHT COMMODITIES

Target projects capable of meeting growing demand for key future-facing metals – such as copper, zinc and nickel – which have strong market fundamentals because of declining global resource inventories, falling grades at major mines, a lack of investment in new mines and their growing use to support the rollout of renewable energy technologies required to support the global energy transformation.



RAPIDLY DEVELOP MINERAL PROSPECTS TO ACHIEVE TARGETED PRODUCTION AND INDUSTRY LEADING OPERATING EFFICIENCIES

Concentrate efforts to bring the brownfields fully-permitted Prieska Project into production, where a positive updated Bankable Feasibility Study was completed in May 2020.

The Prieska Project production is to be supplemented by potential future production from another brownfields project, the Okiep Project, transforming Orion into a substantial diversified base metal miner.



CONTINUE ORGANIC AND GREENFIELD GROWTH IN KEY LOCATIONS

Further evaluate recently discovered near-mine targets, including immediate extensions of the Deep Sulphide Resource at the Prieska Project (28.73Mt at 1.2% Cu and 3.8% Zn) and near-mine targets (such as the Ayoba discovery) to extend the mine life at Prieska Mine.

Additionally, Orion has commenced the acquisition of a controlling interest in several properties within the Okiep Project in the Northern Cape, which includes mineral rights over the majority of the large historical mines of the world-class Okiep Copper Complex. Orion has completed an extensive due diligence investigation on the Okiep Project, resulting in the estimation of a maiden JORC-compliant Mineral Resource totalling 11.5Mt at 1.4% Cu for 156k tonnes of contained copper. Numerous high-priority exploration targets were identified, and exploration activities have commenced. A positive Scoping Study completed in May 2021 confirmed the potential for early cash-flow and “Proof-of-Concept” copper production, supported by the potential for low-cost mining via open pit and underground mining methods.

There is excellent potential to achieve significant operational synergies between the Okiep Project and Orion's fully-permitted Prieska Project.

Orion is also targeting the production of battery metals from the JMP Project, with a review and update of a 2012 Scoping Study completed by Orion's project partner, Namaqua Nickel Mining (Pty) Ltd, now underway.



USE ADVANCED TECHNOLOGIES AND DRAW ON OUR VAST EXPERIENCE TO MAKE ADDITIONAL MINERAL DISCOVERIES

Continue exploration of the Okiep District and the Areachap Belt, using advanced geological and geophysical techniques to discover further clusters of base metal deposits, building a sustainable growth pipeline.

Metal Vapour Refining technology to produce high value battery precursor product and nano powders used in the electronics industry presents major beneficiation value uplift.

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Leadership

Chairman's and Managing Director/ CEO Review



Denis Waddell
Chairman

Erol Smart
Managing Director and Chief Executive Officer

While the past year was tumultuous in terms of global events, it was also productive and pivotal for Orion Minerals. Despite numerous headwinds, the Company continued to advance its two base metal hubs in the Northern Cape region of South Africa through progressing funding arrangements with multiple parties to enable both projects to progress to development commissioning, and production.

Awarded the
Junior ESG Award
for Enhanced Labour
Standards

The IDC to become a
strategic partner
in Okiep Copper
Project, pre-development
funding agreement
reached

US\$87 million
funding agreement
reached for
Prieska Project

Base metal prices, along with most other asset classes, have been impacted by bearish sentiment in response to negative global social and political events, which has led to surging global inflation, rising interest rates, and slowing global economic growth. Despite this, it is important to note that average metal prices over the past year were still well above the levels used in Orion's 2020 Bankable Feasibility Study for our flagship Prieska Copper-Zinc Project and analysts' outlook for metal prices remain positive for the next decade and beyond, given the global commitments made at COP 26, to net zero carbon by no later than 2050. To achieve such commitments, very significant investment is required in future facing metals due to a major shift to electrification from fossil fuels.

Given these global developments, Orion is well placed to realise its ambition of becoming a fully integrated mining and processing business, producing metal products with a low carbon footprint and strong ESG credentials. The quality of the Company's asset base positions us well to be a key supplier of future-facing metals for the impending global energy transition.

Despite adverse market conditions, Orion achieved a major funding milestone for our Prieska Copper-Zinc Project in the final quarter of the year after successfully negotiating a non-binding US\$87 million funding package with the leading Canadian streaming and royalty finance company, Triple Flag. We also progressed a further capital raise, initiated towards the end of the financial year, with a three-tranche placement to raise up to \$20 million. The Company closed on the first tranches of this funding, securing an initial \$7.3million of funding from a combination of an equity placement to sophisticated investors and a Share Purchase Plan offered to all shareholders.

The proceeds of the capital raising will allow the early mining feasibility studies to be completed and mine dewatering to commence, which we consider to be the most important next steps in the development of the Prieska Project.

Two other significant milestones occurred subsequent to year-end. Firstly, a mining right was granted in August 2022 for the Flat Mines Area at the Okiep Copper Project, which represents a major step towards early copper production, while also expanding our Mineral Resources and beneficiation capacity in South Africa's Northern Cape Province. Secondly, in early September 2022, we reached agreement on key principles for the Industrial Development Corporation (IDC) to fund 43.75% of pre-development costs and facilitate BEE ownership at the Flat Mines Project, being Stage 1 of the Okiep Copper Project.

EXPLORATION AND MINE DEVELOPMENT IN SOUTH AFRICA

With the long-term outlook for base metals, including copper and zinc prices remaining positive, the Orion executive team continued to re-evaluate the Prieska Project development schedule to assess the potential to bring forward production – albeit on a reduced scale initially.

The Early Production Scenario is based on rescheduling the mine development sequence by expediting mining of the +105m crown pillar block to the front end of the mine schedule, rather than the back end, as originally contemplated. This, together with mining the underground pillars remaining from the historic operation, would allow Orion to produce first concentrates 14 months earlier than originally envisioned in the 2020 Bankable Feasibility Study, delivering a major breakthrough for the Project.

As part of the early production investigation, we are also preparing a plan to commence dewatering the underground workings using a modular configuration. This phased dewatering plan would allow us to start ahead of the scale-up to the full-scale pumping rate outlined in the 2020 study.

In parallel to our project at Prieska, we have commenced work to establish the Okiep Copper Project as a second copper concentrate production hub. We believe that

Chairman and CEO's Report continued

the complementary combination of these projects will accelerate our journey to becoming a major copper producer in the Northern Cape Province and transform Orion into a significant international base metals miner at an optimal time in the global market cycle for critical future-facing commodities.

During the year, Orion completed an extensive geophysical survey – using the state-of-the-art high-powered SkyTEM™ system – in the Okiep Copper District. The initial results were outstanding – with 16 'late-time' anomalies identified, with a number of the anomalies located in close proximity to known deposits. We expect that this survey will generate a strong pipeline of exploration targets at Okiep, complementing our more advanced resource-level and near-resource exploration opportunities.

Exploration drilling at the Okiep Copper Project during the year led to the discovery of a previously unknown copper-nickel mineralised mafic intrusive at the Nous Prospect. This is the first discovery in the district in more than 40 years – and is directly attributable to the availability and use of modern geophysics, followed by mapping and detailed ground surveys. Our early exploration success underscores the huge potential upside in the Okiep region.

We were also extremely pleased that South Africa's national development finance institution, the IDC, will maintain its interest in the Okiep Copper Project and become a strategic partner, alongside Orion, in the ongoing development of this exceptional base metal asset. The IDC's decision means that the new holding company of mineral rights over the SAFTA tenements (Southern African Tantalum Mining Proprietary Limited), New Okiep Mining Co, will initially be held 56.3% by Orion and 43.7% by the IDC. IDC's project ownership will then be changed to include empowerment partners, in compliance with the Mining Charter 2018 requirements, with a 30% holding by historically disadvantaged groups including a 5% community interest and 5% employee interest. New Okiep Mining Co will remain a subsidiary of Orion.

This IDC funding and empowerment structure will de-risk the project's future development pathway and strengthen potential future funding opportunities.

COMMITMENT TO A GREEN FUTURE

During the year, Orion entered into discussions with the Central Energy Corporation (CENEC) to investigate the potential inclusion of the Prieska Copper-Zinc Project as part of CENEC's landmark Prieska Power Reserve™ Project, a mega-scale renewable energy hub currently being planned for the Prieska district.

This initiative is aimed at assisting Orion to achieve carbon net zero at the Prieska Project, with the mine potentially powered entirely by renewable energy and green hydrogen sources.

Orion has also signed a term sheet with Stratega Metals, providing us with exclusivity to undertake amenability test work on concentrates containing sulphide nickel, copper, cobalt, platinum group elements (PGE) and gold – from the Jacomynspan Nickel-PGE Project in the Northern Cape.

Stratega holds an exclusive licensing agreement for proprietary metal vapour metallurgical technologies. The Stratega refining process is able to produce premium metal products, with low environmental impact and is well-suited to use clean, renewable energy. Importantly, the dry process employs a chemical vapour technology that doesn't require water, has low energy consumption, produces close to zero emissions and occupies a very small surface area.

The agreement with Stratega provides Orion with access to a potentially game-changing refining technology for the production of carbonyl metal powders as feed products for the high-value electronics industry, including battery precursor metal powders which are in high demand in the burgeoning battery manufacturing sector. The battery materials sector is a key focus for Orion due to its strong growth outlook and its pivotal role in driving reduced carbon emissions in the production of metal products critical for the electrification of energy applications.

As previously communicated and demonstrated, Orion has a very strong ESG commitment which, pleasingly, was recently recognised again with Orion being awarded the Junior ESG Award for Enhanced Labour Standards at the Investing in Africa Mining Indaba in Cape Town in May 2022. The award was made to Orion for our work in establishing and promoting fair labour treatment and contributing to skills development in the local communities in which we operate.

EXPLORATION IN AUSTRALIA

Diamond drilling commenced during the year in the Fraser Range, with all logistics and services now established by our joint venture partner, IGO. This is one of the most active exploration districts in Australia and is highly rated by IGO in terms of its global exploration portfolio.

Results from previous drilling programmes provided strong indications of a large magmatic nickel-copper sulphide system, as evidenced by the Mawson nickel-copper discovery just 16km south-west of IGO's Hook prospect. IGO, as the JV Manager, continues to explore the JV tenements.

FUNDING

The non-binding term sheets signed with Triple Flag for a US\$87 million secured funding package have been extended, with a term sheet signed for an additional \$10 million funding arrangement. The funding will be made available to Orion to complete the current early mining feasibility study at Prieska.

The \$20 million capital raise, at 2.0 cents per share, announced in June 2022, underpins the next phase of development in Orion's portfolio of advanced base metal assets in South Africa.

The raising is being undertaken in three tranches, with commitments received for the first two tranches (~\$6 million) and a \$1.3 million Share Purchase Plan offering to existing shareholders.

WORKING WITH OUR COMMUNITIES

Orion continues to play a key role in our host communities at our mine sites. At the Siyathemba community, near our Prieska Project, we have focused on fostering community access the national COVID-19 vaccine centres, including the Bill Pickard Hospital pharmacy in Prieska, which enabled this facility to be accredited as a COVID-19 vaccination centre.

In addition, a task team was formed to develop an implementation and monitoring plan to promote host community employment and procurement in the Siyathemba Local Municipality and the neighbouring town of Vanwyksvlei. An externally facilitated two-day strategic meeting with host community representatives and business forums was held during October 2021. At the meeting, areas of collaboration were identified which would benefit all affected stakeholders and strengthen working relationships between the mine and host communities.

Orion also partnered with Bicycles for Humanity Western Australia (B4H), which donated 420 pre-loved bicycles to Orion's host communities in Siyathemba Local Municipality and Vanwyksvlei.

APPRECIATION

As always, we are thankful for the fantastic energy and support shown by the entire Orion team, often in very trying circumstances. Your time and effort is appreciated and contributes greatly to the Company's strong progress towards establishing itself as an important future producer in the global mining and minerals sector.

We also extend our appreciation to our broader stakeholder "family", our BEE partners, host communities, the Siyathemba Municipality, the Siyathemba Joint Corporate Social Investment Forum, the Orion Siyathemba Stakeholder Engagement Forum, consultants, advisors, contractors, suppliers, industry associations and regulators — for your contribution and assistance during the year.

Shareholders have provided a key pillar of support in Orion Minerals' progress along our strategic journey over the past year. We welcome our new shareholders and thank you and our long-standing shareholders for placing your trust in our team and for supporting our shared vision of becoming a meaningful player in the world's copper and zinc markets.

Finally, we thank our fellow Board members for their unwavering support and guidance, providing us with the confidence to progress our Company to future success and reward.



Denis Waddell
Chairman



Errol Smart
Managing Director and
Chief Executive Officer

Board of Directors



**DENIS
WADDELL**

Chairman

Denis is a Chartered Accountant with extensive experience in the management of exploration and mining companies. Denis founded Tanami Gold NL in 1994 and was involved with the Company as Managing Director and then Chairman and Non-Executive Director until 2012. Prior to founding Tanami Gold NL, Denis was the Finance Director of the Metana Minerals NL group. During the past 37 years, Denis has gained considerable experience in corporate finance and operations management of exploration and mining companies.

**ERROL
SMART**

**Managing Director
and Chief Executive
Officer**

Errol is a geologist, registered for JORC purposes, and has 30 years of industry experience across all aspects of exploration, mine development and operations with experience in precious and base metals. He has held positions in Anglogold, Cluff Mining, Metallon Gold, Clarity Minerals LionGold Corporation and African Stellar Holdings. Errol's senior executive roles have been on several boards of companies listed on both the TSX and ASX and currently serves as a Director on the Board of the Mineral Council of South Africa.

**TOM
BORMAN**

**Non-Executive
Director**

Tom is a highly experienced global mining executive who served more than 12 years working for the BHP Billiton Group in various senior managerial roles, including that of chief financial officer. He also held senior roles in strategy and business development, and served as the project manager for the merger integration transaction between BHP Limited and Billiton. After leaving BHP Billiton in 2006, Tom joined Warrior Coal Investments, where he was part of the executive team which established the portfolio of assets which became the Optimum Group of companies.

**GODFREY
GOMWE**

**Non-Executive
Director**

Godfrey is the former chief executive officer of Anglo American plc's Thermal Coal business, where his responsibilities included oversight over the company's manganese interests in the joint venture with BHP. Until August 2012, Godfrey was an executive director of Anglo American South Africa, prior to which he held the positions finance director and chief operating officer. He was also chairman and chief executive of Anglo American Zimbabwe Limited and served on a number of Anglo American executive committees and operating boards, including Kumba Iron Ore, Anglo American Platinum, Highveld Steel & Vanadium and Mondi South Africa.



**ALEXANDER
HALLER**

**Non-Executive
Director**

Alexander is a partner of Zachary Capital Management, providing advisory services to several private investment companies, including Silja Investment Ltd, focusing on principal investment activities. From 2001 to 2007 Alexander worked in the corporate finance division at JP Morgan Chase & Co. in the USA, as an advisor on mergers and acquisitions, and financing, in both equity and debt capital markets.

**MARK
PALMER**

**Non-Executive
Director**

Mark has 15 years of experience working with entities in Australia, including eight years with Dominion Mining. He previously worked with NM Rothschild & Sons Limited for the London mining project as part of the finance team where he was responsible for assessing mining projects globally. He later moved to the investment banking team at UBS, where his focus was global mergers and acquisitions, and equity and debt financing. He also ran the EMEA mining team at UBS, later joining Tembo Capital in 2015 as investment director.

Senior Management



**ERROL
SMART**

**Managing Director
and Chief Executive
Officer**

Errol is a geologist, registered for JORC purposes. He has some 30 years of industry experience across all aspects of exploration, mine development and operation, with a key focus on gold and base metals throughout Africa and in Australia. Errol has held positions in African Stellar, LionGold Corporation, Clarity Minerals, Metallon Gold, Cluff Mining and AngloGold.

**WALTER
SHAMU**

**Chief Operating
Officer**

Walter is a mining engineer with a BEng (Mining Engineering) and Masters in Engineering (Rock Mechanics), as well as LLB (Law) from Macquarie University in Australia. He has over than 25 years of industry experience working in Australasia and throughout Africa. Prior to joining Orion he was the COO for Taurus Gold and has held corporate and technical roles with ENRC, Gold Fields, Western Mining Corporation, Henry Walker Eltin.

**MARTIN
BOUWMEESTER**

**Chief Financial
Officer and Company
Secretary**

Martin is an Fellow Certified Practising Accountant, highly experienced in exploration, mine development and operations. Prior to his role at Orion, Martin worked closely with a number of companies, to identify and assess exploration, development and mining opportunities, evaluate and arrange various alternatives for exploration, development and mining activities and develop and implement financial strategies. Martin was chief financial officer, Business Development Manager and Company Secretary of Perseverance Corporation and was a key member of the executive team that evaluated the sulphide mineralisation at the Fosterville Gold Mine; an initiative that led to the discovery and definition of more than 3 million ounces of gold and the funding for the development of the mine and processing plant to exploit those resources.

**MICHELLE
JENKINS**

**Executive: Finance and
Administration**

Michelle is both a geologist and a chartered accountant with over 20 years' experience in exploration and mining. She holds an Honours Degree in Geology from the University of the Witwatersrand and BSc Hons in Accounting Science from the University of South Africa. Michelle has substantial experience working as a geologist prior to joining KPMG's mining group as a chartered accountant. She was also the chief financial officer at Taurus Gold and held the role of chief financial officer with several exploration and mining companies throughout Africa. She is currently a non-executive director of Shanta Gold and an Independent non-executive director of Kumba Iron Ore. She was previously a director within the Clarity Capital Group and an executive director of Pangea Exploration. Michelle offers a wealth of knowledge in resource risk management and mitigation as well as strategic leadership and has been involved in operating resources ventures.



**LOUW VAN
SCHALKWYK**

**Consulting
Geologist**

Louw holds a BSc Geology Honours degree from the University of Stellenbosch. He started his career as a geologist with Gold Fields of South Africa, then worked as an exploration consultant for Anglo American. He served as technical director on the boards of two junior exploration companies before joining Vedanta Zinc International. Louw specialises in structural and exploration geology and was part of the team that discovered the 60 Mt Gamsberg East Zinc Deposit in 2005, which is one of the highlights of his career. Other notable achievements include the discovery and drill out of the 250,000oz Byumba Gold deposit in Rwanda in 2008.

**NELSON
MOSIAPOA**

**Group Corporate
Social Responsibility
Adviser**

Nelson studied chemical engineering at the Cape Peninsula University of Technology. As an advanced policy scholar of science and technology, he served on the policy unit of the governing party in South Africa prior to the first democratic elections. His professional career started at Sasol Petroleum as a gasification process controller and then a learner official at Anglo American/De Beers. He is also the founder and trustee of the Mosiapo Family Trust, a private and investment equity company in the resources sector with assets featured on the JSE.

**MARCUS
BIRCH**

**Commercial and
Business Support
Manager**

Marcus holds a BSc Honours degree in Geology from the University of Exeter and a BCom from the University of South Africa. He has over 25 years' experience in the mining and minerals exploration industry, initially as a geologist in the South African gold mining sector. Marcus subsequently moved into the field of procurement and supply chain with AngloGold Ashanti, where he led a team of commodity specialists. During the last decade, Marcus has held senior general management positions in the junior exploration sector, with Clarity Minerals and High Power Exploration, responsible for the establishment and growth of minerals service companies and the management of the logistical aspect of exploration projects across Africa, Australia and South America.

**PIETER
ROUX**

**Group Financial
Controller**

Pieter holds a BCom (Management Accounting) and DiplCIMA. He has 18 years' experience in finance team leadership and management in mining and exploration in Côte d'Ivoire, Mali, Burkina Faso, Zimbabwe, Zambia, Namibia and South Africa. Pieter has implemented and operated real-time web-based financial control systems for companies across the African continent. He has also developed various funding models, applied for fund raising, budgeting and operational control purposes. Most recently, Pieter has worked with Taurus Gold as group financial controller, providing leadership within the finance team and management reporting for the Taurus Gold Group. Prior to that he was the finance unit manager for Evraz Highveld & Vanadium's Mapochs Mine and group management accountant for Clarity Capital Group.

Health and Safety

Orion remains committed to ensuring a high standard of safety and health management in all of our workplaces. Building on the understanding that Orion has an established "first-mover" advantage in the region, our business model incorporates a strong Environmental, Social and Corporate Governance (**ESG**) focus, with the intent to leverage modern technology in all aspects of the exploration and mine development cycle.

Orion's core objective is to create "mines of the future" and, with this in mind, the Company is implementing a modern operating philosophy, which is 4IR-enabled, that can contribute to achieving quantum changes in key output parameters that are traditionally slow to improve or have regressed in the local mining industry in South Africa, including:

- Improvements in workplace safety and employees' health;
- Positive contributions to the state of the natural environment, reduced pollution and negligible contamination from operational activities;
- Increased proportion of renewable energy sourced, improved energy efficiency and commensurately lower energy costs;
- Productivity improvements; and
- Operating cost reductions.

Orion's ESG responsibility is firmly embedded in all of its business plans and, as such, over the past year the Company has:

- Contributed to the planning of public water and infrastructure development in the municipal areas hosting the Prieska and Okiep Projects, which will provide additional benefits to the neighbouring communities;
- Placed additional focus on ensuring a low-carbon footprint; and
- Considered alternative energy sources such as solar and wind, as well as hydrogen energy storage.

Ongoing community involvement and upliftment programmes, building on the strong foundation that is already in place, are well underway as a means of preparing host communities to actively participate and share in the benefits of the imminent project developments.

Health and safety

Orion's workforce continued to work safely with a Lost-Time-Injury-free year achieved for the 2022 financial year. The Lost-Time Injury Frequency Rate (**LTIFR**) per 200,000 hours worked is zero.

Table 1: Hours worked at the Areachap and Okiep Copper Projects (South Africa)

Category of Work	Hours Worked	
	FY2022	FY2021
Exploration	82,081	22,959
Mine Re-Entry	32,250	4,672
Contractors	76,513	4,887
Total	190,844	32,518

During the financial year, a total of 190,844 hours were worked on South African project sites.

This represents a significant increase from the hours reported last year, reflecting two active project sites and the transition from off-site work due to COVID-19 restrictions to site-based work programmes.

The Company continues to manage the risks from the COVID-19 pandemic in the workplace in line with government and industry guidelines. A total of 14 COVID-19 positive cases were reported during the reporting period, with no hospitalisations required.

The State of Disaster implemented in 2020 to curb COVID-19 infections was lifted by the South African Government as of 5 April 2022. With the pandemic now managed in terms of the National Health Act, the Department of Health issued regulations for the management of COVID-19 on 4 May 2022. As of 22 June 2022, the regulations regarding mask mandates, gatherings and border checks were repealed.

Orion continues to comply with all government regulations and industry guidelines in line with these changes.



Environmental, Social and Governance (ESG)

ENVIRONMENTAL MANAGEMENT

Orion recognises that its environmental performance is a critical component of its success. The Company, at all times, strives to deliver the highest level of environmental compliance, with a commitment to monitoring and managing the environmental impacts of its activities during and beyond the life of its operations.

There was one environmental incident recorded during the reporting period. This related to an oil spill incident from drilling activities at the Prieska Project in the June 2022 Quarter. The incident was remedied and continues to be monitored.

At the Okiep Project, monthly dust fallout monitoring has been added to groundwater monitoring and compliance auditing as part of the proactive pre-mining measurements.

Winner – Junior ESG Award for Enhanced Labour Standards

Orion was awarded the Junior ESG Award for Enhanced Labour Standards at the Investing in Africa Mining Indaba Conference in Cape Town in May 2022, for establishing and promoting fair treatment and contributing to skills development in the local communities where it operates.

These awards, which showcase junior mining companies that excel in making a positive impact in the areas of Environmental, Social, and Governance (ESG), recognised Orion's work in preparing host communities for the renewal of the mining industry in the Northern Cape Province. This is the second time that Orion has been recognised with a major ESG award. In November 2020, the Company received the AAMEG (The Australian – Africa Minerals & Energy Group) Emerging ESG Leader Award in Perth, Western Australia.

GREEN METALS AND GREEN ENERGY

Orion's priority is developing its projects in a manner that promotes "green" production. In this endeavour, Orion has continued to advance discussions on collaborating with the Central Energy Corporation (CENEC) and juwi Renewables South Africa (Pty) Ltd (juwi) to establish a renewable energy supply for the power requirements of mining operations at the Prieska Project.

The Siyathemba Municipality has been selected by CENEC as the preferred location to base their green hydrogen production industrial complex due to a range of favourable geographic, climatic, strategic and logistical factors. CENEC's Prieska Power Reserve™ Project is planned to be a green hydrogen production facility, powered wholly by renewable energy sources.

The use of renewable energy, sourced locally from the CENEC industrial complex, at the Prieska Project has the potential to significantly reduce mine operating costs, with recent bids by South African renewable energy providers returning an average cost of just ZAR0.47 per kilowatt hour (kWh), compared with the 2020 base cost estimate of ZAR0.93/kWh used in the Prieska Bankable Feasibility Study (refer ASX/JSE release 18 November 2021).

The combination of renewable energy and ready local access to green hydrogen and ammonia, has prompted discussions with base metals refining technology providers, into investigating the potential for local value accretive refining and production of high-value pre-cursor metal products used as feed for battery manufacturing plants.

These battery pre-cursor metal products trade at a premium to LME metal prices and present a potential business opportunity, possibly in JV with specialist refinery businesses.



Community, Stakeholder Engagement and Social Responsibility

PRIESKA COPPER-ZINC MINE (PCZM)

COVID vaccinations and community support

Orion continued to play a key role in ensuring that the Siyathemba community were able to access the national COVID-19 vaccine rollout close to home during the pandemic following the donation by the Company of a specialised fridge for the Bill Pickard Hospital pharmacy, allowing it to be accredited as a COVID-19 vaccination centre. Before the pharmacy's accreditation, the closest accredited vaccination centre within the Pixley Ka Seme District was in De Aar, 180km from Prieska. By the end of September 2021 over 9,000 community members had been vaccinated.

At the end of 2021 Orion initiated the Siyathemba Vaccination Drive, to encourage community members to play their part in fighting COVID-19 by being vaccinated.

An additional 486 community members were vaccinated through this initiative. The vaccine drive was facilitated by the National Health Laboratory Service's Vaccination Outreach, community health care workers and volunteers from Hospice Moeder Theresa. Vaccine doses were made available by utilising the vaccine fridge donated by Orion.

Orion also sponsored one round trip of transport per month for Marydale scholars (who reside close to Orion's Marydale Project) attending the Saul Damon Secondary School in Upington (nearly 200km away). This sponsorship allowed students to return home over weekends while the school boarding houses were closed over the weekends due to COVID-19 restrictions.

Establishment of a Community Participation Framework for PCZM

A two-day externally facilitated strategic meeting (Bosberaad) with host community representatives and business forums was held during October 2021. At the meeting, areas of collaboration were identified which would benefit all and strengthen working relationships in Siyathemba.

Attendees agreed on aspirational targets for host community participation. A Task Team was formed with responsibility for developing an implementation and monitoring plan to promote host community employment and procurement in the Siyathemba Local Municipality and neighbouring town of Vanwyksvlei. Aspirational targets have been set for 50% local employment, 30% local procurement and 40% contracting opportunities at the Prieska Project. These framework targets will be achieved subject to the mine's operating requirements, maintenance of high safety, health and environmental protection standards, market competitive costing and efficient delivery of high-quality goods and services, whilst maximising stakeholder benefits and shareholder returns.

Orion anticipates that the framework will create the opportunity for local small enterprises to grow as stand-alone businesses or via joint ventures with larger established suppliers.

The Task Team met regularly during the reporting period, including one meeting held at the Prieska Project site, which included an underground visit. Feedback and progress from the Task Team meetings are presented at the Orion Siyathemba Stakeholder Engagement Forum. The Task Team is exploring opportunities to leverage funding and training opportunities from Sector Educational and Training Authorities (**SETAs**) for the host community. The Task Team and local businesses were also provided with detailed information on the Prieska Project's anticipated procurement requirements for the construction phase of the mine for analysis and further discussion.

Bicycles for Humanity (B4H)

Orion has partnered with Bicycles for Humanity Western Australia (**B4H**), which donated 420 pre-loved bicycles to Orion's host communities in the Siyathemba Local Municipality and the town of Vanwyksvlei. Studies have shown that bicycles transform lives and, by extension, communities and economies. With a bicycle, young people can get to school, health care workers can get to their clinics and entrepreneurs can kick-start their businesses through improved mobility, thereby creating employment opportunities.

The bicycles were brought to Prieska by Orion, while helmets were donated by Mulilo and reflective vests were donated by the Provincial Department of Education.

The "Scholar Mobility" project rollout commenced in August 2021, and continued during the reporting period, with bicycles allocated for use by deserving students, including those who have long distances to travel between home and school, at all nine schools within the host community area.

Orion sponsored Prieska-born athlete and Olympian Chederick van Wyk, who has become an outstanding ambassador and role model for youth in the Northern Cape, played an invaluable role in assisting with the deployment of the bicycles to the schools.

Employment and community training and development programme opportunities at the Prieska Project

Murray & Roberts were engaged during Q1 and Q2 2022 to conduct an underground drilling campaign into the shallower parts of the Prieska deposit, as part of the investigation into possible early production options.

Community, Stakeholder Engagement and Social Responsibility continued

In support of Orion's commitment to promote host community participation, Murray & Roberts interviewed candidates from the Orion database and employed 13 people from the host community for the duration of the drilling programme. These community members were exposed to specialist underground exploration drilling. Murray & Roberts, in collaboration with Orion, will also be offering 50, six-month Mine Qualifications Authority (MQA) funded learnership opportunities at the Murray & Roberts Training Centre later in 2022 to candidates selected from residents of the Siyathemba and Nama Khoi Local Municipalities as well as the town of Vanwyksvlei.

During the reporting period, the occupational assessment process (for potential artisans and operators) continued, with an additional 40 host community participants undergoing the Dover Test (competency assessment for potential machinery and equipment operators) and 66 participants undergoing general technical aptitude assessments.

Other Community Initiatives

Orion was privileged to have been involved in a number of additional and diverse community projects during the reporting period, including;

- Co-sponsorship of the successful seven-a-side soccer and netball tournaments during a sports day held in December 2021, involving teams from Prieska, Marydale and Niekerkshoop;
- HIV/AIDS awareness and education campaign in collaboration with Niekerkshoop Clinic to mark World Aids Day;
- Sponsorship of a photographer to record the Youth Day proceedings organised by the Siyathemba Local Municipality, the Pixley Ka Seme District Municipality, the Department of Sports, Arts and Culture and the Small Enterprise Development agency (**SEDA**); and
- Initiation of investigations into the establishment of a community radio station for the Siyathemba area.

OKIEP COPPER PROJECT (OCP)

Community Engagement at the Okiep Project

Several community consultation meetings were conducted during the reporting period with the Nababeep town community. The primary discussion topics were related to Local Economic Development projects contained in the updated Social and Labour Plan (**SLP**) submitted to the DMRE as part of the Company's application for the grant of the Southern African Tantalum Mining (Pty) Ltd (**SAFTA**) Mining Right (the **Flat Mines Project**). The SLP sets out the local economic development projects and training commitments the Company will make to its employees and host communities in relation to this project.

Endorsement of the SLP projects was subsequently received from the Nama Khoi Local Municipality in May 2022 clearing the way for the DMRE to grant the Mining Right. The Mining Right was granted in July 2022 (refer to ASX release 29 August 2022).

Orion considers its relationships with local communities to be vital to the success of its projects and has therefore established the Orion Nama Khoi Stakeholder Engagement Forum to exchange information and help outline a community participation framework. The first meeting of the Orion Nama Khoi Stakeholder Engagement Forum was held in June 2022, with constructive participation from all the local Ward Committees, the Local and District Municipalities and Orion management.

A Community Liaison Office was established in the town of Springbok, the key economic hub in the Nama Khoi Local Municipality area, to facilitate engagement with the host communities.

Orion has reopened an existing water borehole at Nababeep, making this additional water resource available to the Nama Khoi Municipality for community use. This water should go some way to assisting communities which have been experiencing water supply challenges.

Commodity Markets

Base metals performed strongly in calendar 2021 with copper ending the year 25.7% higher and zinc gaining 31.5% during the year. Copper – which is widely regarded as a barometer for global economic activity – peaked in March 2022.

In the latter part of the 2022 financial year, base metals prices were impacted by the bearish sentiment that has impacted virtually all asset classes in response to rising interest rates in response to surging global inflation, slowing global growth and the prospect of an economic recession in many countries.

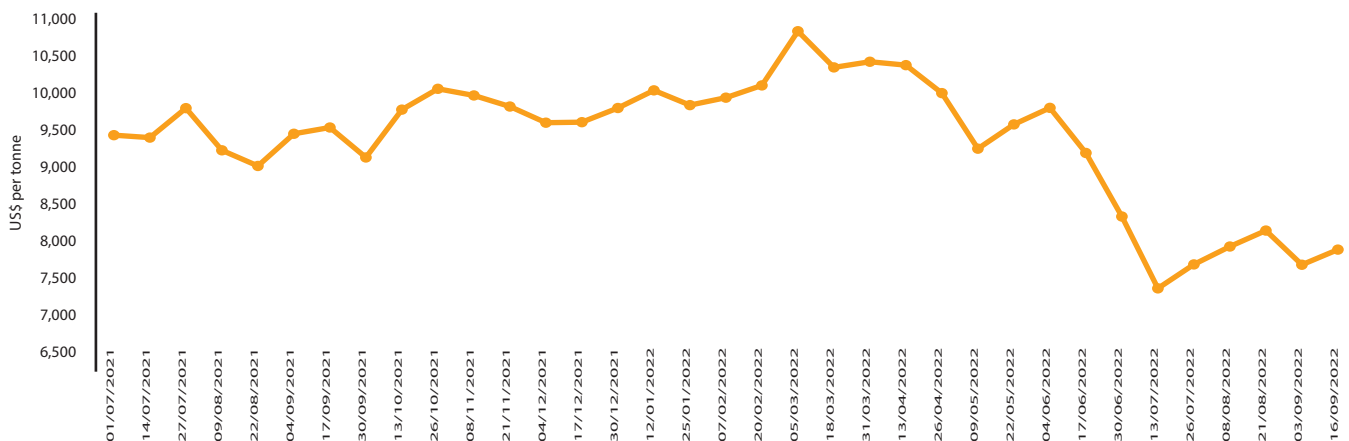
Metal prices have since stabilised and many analysts are projecting a recovery over the coming months, particularly in response to signs that inflation may be easing and the forward interest rate curve flattening. This is further supported by the fact that, even though prices fell during the June 2022 Quarter, inventories of most metals also continued to fall, reinforcing the longer-term robust outlook

which is underpinned by surging demand for renewable energy applications as the global energy transition gathers pace.

This demand for green metals has put a strain on supply while new mine production has been slow to arrive. This has further strengthened the investment case for advanced, brownfields projects such as Orion's Prieska Copper-Zinc Project (**Prieska Project**) and Okiep Copper Project (**OCP**), both of which have significant infrastructure and can be brought into production relatively quickly.

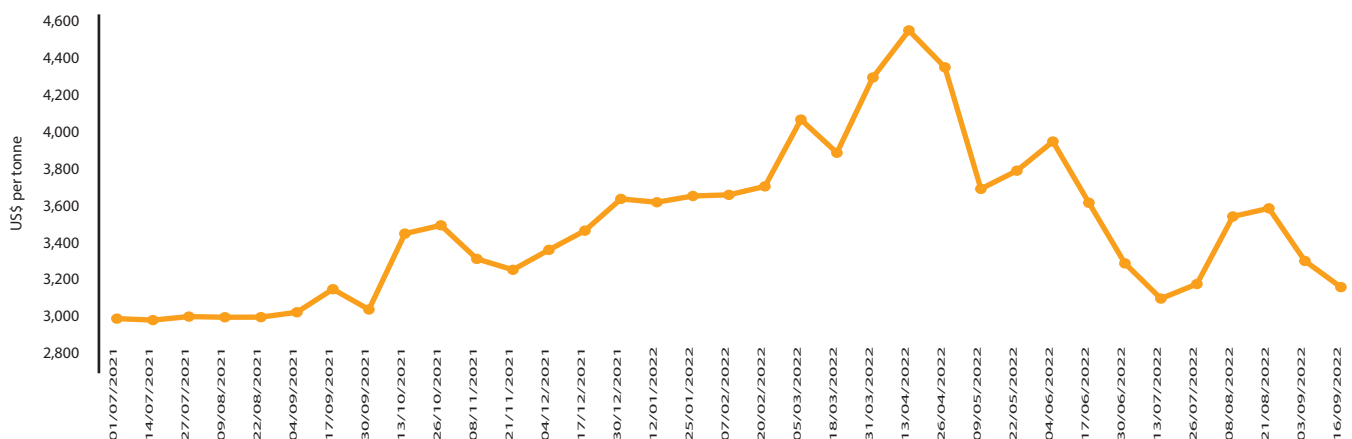
It is also important to note that, while metal prices fell to their lowest values in nearly two years towards the end of the 2022 financial year, they are still above the levels used in Orion's 2020 Bankable Feasibility Study (**BFS-20**) for the Prieska Copper-Zinc Mine (**PCZM**). Orion's BFS-20 used metal price assumptions of US\$6,680/tonne Cu and US\$2,337/tonne Zn, below the recent low prices of US\$6,998/tonne Cu and US\$2,920/tonne Zn.

LME Copper Price Chart – 2022



Source: London Metals Exchange

LME Zinc Price Chart – 2022



Source: London Metals Exchange

Commodity Markets continued

The strong macro-thematic outlook for copper has been reinforced by a number of leading investment banks and commodity forecasters in recent months, as well as by indications of accelerating M&A in the base metals sector. On 8 August, BHP announced an indicative and non-binding \$8.4 billion cash offer for copper miner OZ Minerals.

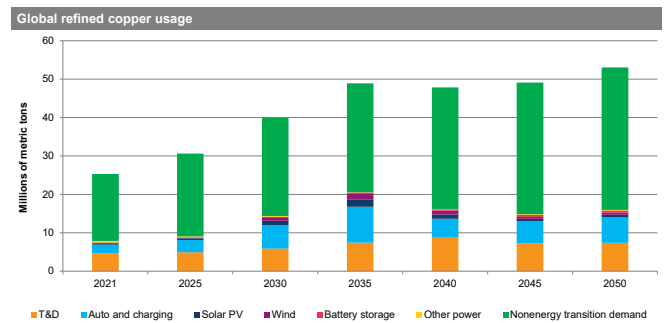
Global investment bank Goldman Sachs has described copper as 'the new oil' because electric cars require several times more copper than their internal combustion engine-powered counterparts.

The CRU Group has said that, in addition to very low industry stocks, copper projects are taking longer to develop due to stringent ESG requirements, more complex product characteristics and greater stakeholder demands. CRU predicts that the world will require 5.3 million tonnes per annum (Mtpa) more copper by 2030, assuming a 2.1% per annum global growth rate.

This view was reinforced by S&P Global in an extensive report on the outlook for copper, released on

15 July 2022 which predicts that global copper demand will double from the current level of 25Mtpa to 50Mtpa by 2035. S&P estimates that another 25 Escondida-sized copper mines will be needed to meet the demand surge over the next decade and a half.

S&P Forecast Global Copper Refined Usage – Driven by the Energy Transformation



Analyst Note: Based on S&P Global's Multitech Mitigation scenario; US values are adjusted to align with Biden administration's net-zero ambitions. T&D = transmission and distribution; PV = photovoltaics; other power includes conventional generation (coal, gas, oil, and nuclear), geothermal, biomass, waste, concentrated solar power, and tidal. Source: S&P Global analysis

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Review of Operations

– South African Projects

PRIESKA COPPER-ZINC MINE DEVELOPMENT AND EXPLORATION

Project Overview

Orion completed a highly successful Bankable Feasibility Study for the Prieska Project in May 2020 (**BFS-20**) (refer ASX/JSE release 26 May 2020). The BFS-20 outlined a plan (**BFS-20 Plan**) to re-establish the Prieska Copper Mine, which was previously operated as an underground mine between 1971 and 1991. During this time, mine records show 46Mt of ore were mined from Prieska to produce 430kt of copper and 1.01Mt of zinc in concentrates.

While funding discussions for the Prieska Project, based on the BFS-20 Plan, continued with banks and financial institutions during the year, Orion also made excellent progress with ongoing studies to further enhance the technical and commercial aspects of the project.

As announced in January 2022, Orion is investigating the potential to bring forward the start of production and revenue generation, potentially reducing the upfront external peak funding requirements of the Prieska Project (Early Production Plan). The Company is also ready to commence with dewatering of underground workings ahead of the project being fully funded which will provide further advantages on the baseline mine development plan communicated in the BFS-20 Plan.

Ongoing Feasibility Studies for the Early Production Plan comprise:

- Revising the planned mining sequence to extract the mine's crown pillar (+105 Level Crown Pillar), which currently sits above the accumulated water level, first and using underground mining methods. Extraction of the +105 Level Crown Pillar was originally planned to occur at the end of the mine life using open pit mining. Mining the crown pillar upfront offers the potential advantage of earlier concentrate production and allows for dewatering to be undertaken at lower pumping rates and concurrently with early revenue generation from crown pillar mining;
- Assessing the potential for opportunistic extraction of the mineralised pillars left behind from previous mining and located above the accumulated water level; production from the remnant pillars could supplement the early mining and defer the need to access the Deeps deposit; and
- Commencing with dewatering of the underground workings using a modular configuration, with the first modules being commissioned in CY2022, at a third of the full-scale pumping rate proposed in the BFS-20 Plan and ahead of the project being fully-funded to commence full-scale construction.

The Early Production Plan investigations leverage off the information gathered and material assumptions made in the BFS-20 Plan though will also be supplemented by additional information to be obtained from the recent drilling campaigns and the planned trial mining exercises. The Early Production Plan formulation is targeted for completion by mid-CY2023.

In May 2022, Orion signed non-binding term sheets with Triple Flag for a US\$87 million secured funding package to advance the development of the Prieska Project and underpin the Early Production Plan (refer Corporate Section for further detail).

Prieska Operation Activities Subsequent to the Updated Bankable Feasibility Study

Crown Pillar (+105 Level) Extraction

While extraction of the shallow supergene sulphide ore (+105 Level Crown Pillar) was already included in the BFS-20 Plan, it was scheduled to occur near the end of the Foundation Phase mine life, from Year 13 onwards. This is when the tonnage milled from the Deeps underground mining was planned to taper down from 200,000 tonnes per month to 100,000 tonnes per month. The crown pillar, supergene sulphide ore, was to then be extracted by open pit mining and processed, also at the reduced 100,000 tonnes per month. Some 1.12Mt of supergene sulphide ore was to be campaign milled over a two-year period (refer ASX/JSE release 26 May 2020). The BFS-20 Plan envisaged scaling down the processing plant by using only one of the two installed mills when throughput became 100,000 tonnes per month.

The Early Production Plan will aim to target mining of the crown pillar upfront, using underground mining methods. This would allow concentrate production to commence earlier than in the BFS-20 plan and occur before mine dewatering is completed. The expansion to full-scale mining would then only occur once the whole mine is dewatered which defers significant upfront capital expenditure. In the BFS-20 Plan, the start of concentrate production is planned for month 33 of the project development schedule. Under the Early Production Plan, Orion is investigating whether the sulphide ore processing plant can be commissioned by month 19, approximately 14 months ahead of the original BFS-20 Plan schedule.

A high-priority infill drilling programme into the +105 Level Crown Pillar was successfully completed as part of advancing the investigations into the Early Production Plan. The drilling programme was designed to provide a sample density sufficient to upgrade more of the +105 Level Crown Pillar Mineral Resource to an Indicated Mineral Resources level of confidence in accordance with JORC Code (2012) reporting guidelines (see further detail below). The Crown Pillar mineral resources could thus be eligible for conversion to Ore Reserves in the Early Production Plan.

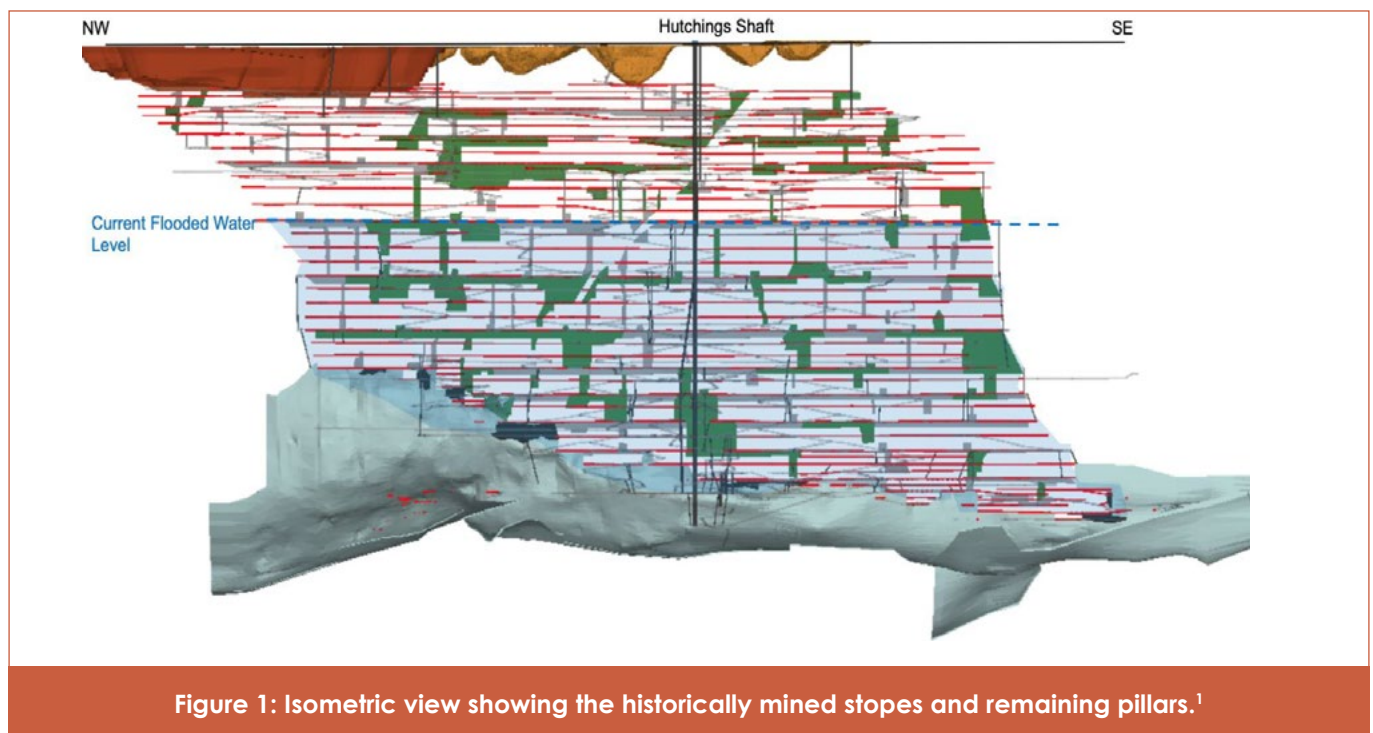
Review of Operations – South African Projects continued

Remnant pillar evaluation

Mine records, historical plans and recent investigations confirm that previous underground mining at Prieska was undertaken using long-hole open-stopping methods, without the use of any form of back-filling to stabilise the remaining voids. A grid of mineralised pillars was therefore left in place to provide geotechnical mine stability.

Based on positive preliminary assessments, Orion has commenced a detailed study to determine how best to extract some of these mineralised remnant pillars in a manner that does not negatively impact the long-term geotechnical stability of the mine.

An underground diamond drilling program was commenced to verify historical survey records and provide supplementary data to allow Mineral Resources estimation. The program targeted the remnant pillars located above the current water level (approximately 300m below surface Figure1). Drilling was initiated in Q2 2022 and suspended after two months due to difficulties in drilling through a fractured footwall unit. Other approaches to evaluate the remnant pillars are currently being investigated such as the option to develop accesses into the remnant pillars to sample and trial mine select portions of the mineralised zones.



¹ Refer ASX/JSE release 26 May 2020.

Mine dewatering

Planning to commence mine dewatering, at a third of the full-scale pumping rate of 1,500m³ per hour contemplated in the BFS-20 plan, was completed, Figure 2. Adopting a modular and scalable approach to establishing the dewatering infrastructure allows dewatering to commence for low upfront spend, with pumping capacity to be scaled up as funding is made available. This approach enables dewatering to start ahead of the project being fully-funded for full-scale construction.

¹ Refer ASX/JSE release 26 May 2020.

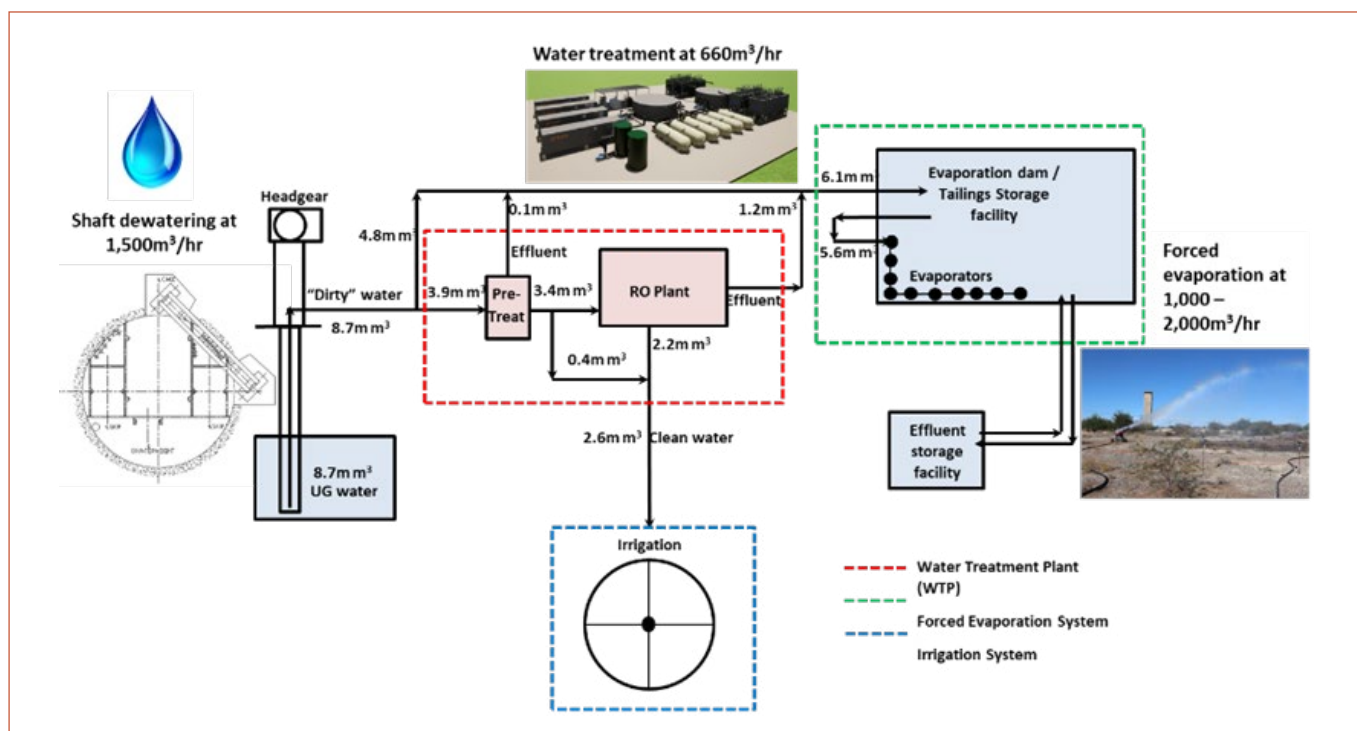


Figure 2: The mine dewatering configuration contemplated in the BFS-20 plan is shown. Approximately 9 million m³ of water would be pumped out of the mine over a 12-month period, at an average pumping rate of 1,500m³/hr. Some 45% of the water would be diverted for treatment to allow it to be used for agricultural purposes, while the remainder would be dispersed using forced evaporation.

Various options for 'early' mine dewatering were considered, with the key selection criteria being that the chosen option had to:

- be implementable using the funds likely to be made available ahead of the PCZM project being fully-funded;
- meet all environmental and water use licencing requirements;
- provide a demonstrably positive impact to the project's perceived risk profile and commercial metrics; and
- be sufficiently adaptable such that it can be scaled up should funding permit, or conversely, scaled down should funding constraints be exacerbated.

The preferred plan to be implemented, subject to availability of funding, consists of setting up a working platform at the 178 Level, to stage the pumping of water from the Hutching Shaft barrel to the surface. The water would then be treated for both on- and off-site discharge, with the system having a maximum pumping rate of 500m³/hr, Figure 3. Salient elements of the plan are:

- Establish a mine dewatering and water treatment network, with a pumping rate that will build up from 120m³/hr to 500m³/hr over three months. Water

treatment costs now assume using a contractor-operated and rented reverse osmosis plant, paying per unit of treated water. There is scope to reduce running costs should ongoing investigations into scavenging marketable by-products from the brine prove successful. Iron oxide, hydrogen, calcium and magnesium could potentially be recovered.

- This planned setup could lower the water level by over 175m in 12 months and by 330m in 24 months, to clear the mine of water down to approximately 620m below surface.
- Additional pumping stages would be established to extend the reticulation deeper into the mine as the water level is lowered to allow the mine to be dewatered over a period of 3.5 years.
- The plan can be executed within current permitting parameters and assures compliance with current mining right obligations. This plan has been assessed to be the safest, most practical, and cost-effective option to enable an early start, with flexibility to scale up or down, subject to operational or funding constraints.
- The plan will continue to be reviewed for health and safety, land access, environmental and legal compliance implications as part of its implementation.

Review of Operations – South African Projects continued

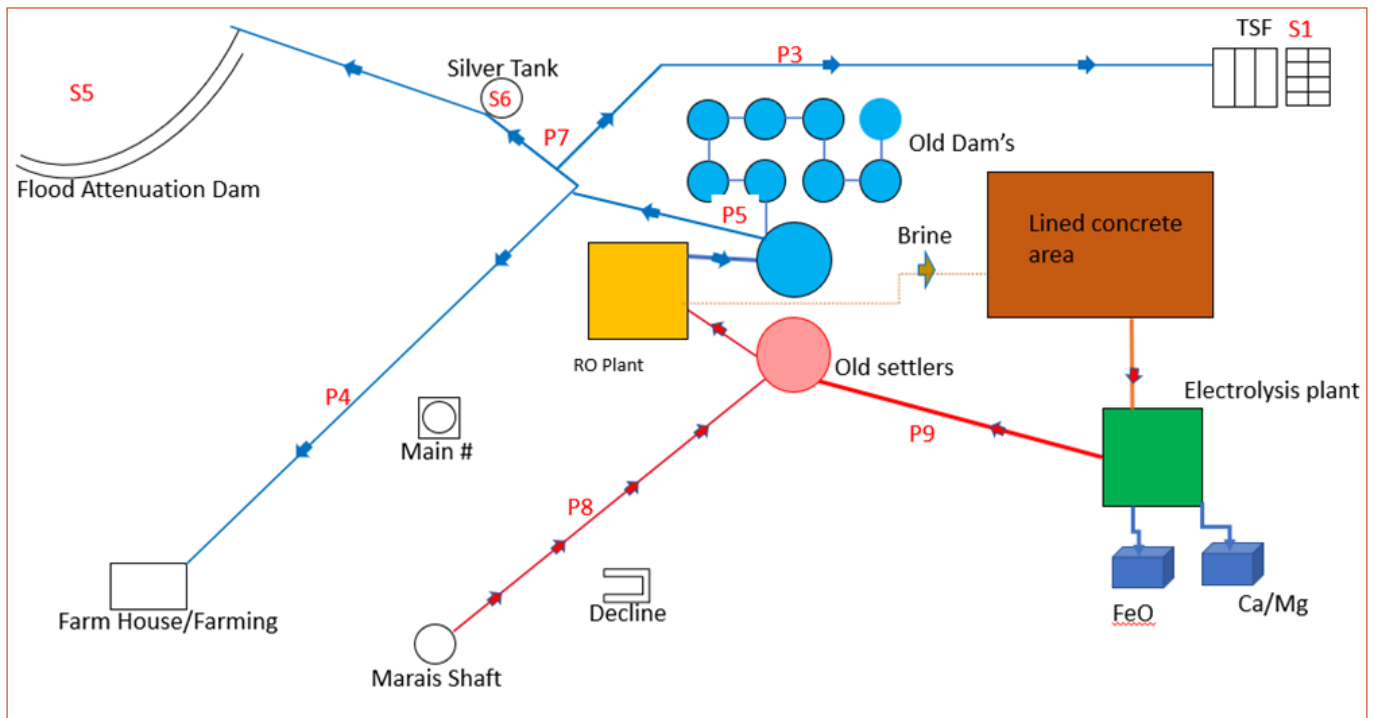


Figure 3: The proposed early mine dewatering configuration is shown. The setup is designed to achieve a maximum pumping rate of 500m³/hr. Some of the water would be diverted for treatment to allow it to be used for various agricultural purposes, while the remainder would be re-cycled or evaporated.

Process Plant Operations

During the year, Orion continued to investigate opportunities to acquire pre-owned processing plant equipment that may contribute to further reducing the time and cost to construct and commission both the Okiep and Prieska Projects. Orion has also secured and paid deposits on the two larger mills planned to be installed at the Prieska Project.

Orion has signed an agreement with Minerals Operations Executive (Pty) Ltd (**Minopex**) to manage the PCZM processing plant operation. The running and management of the plant laboratory will also fall within the scope of Minopex's work.

Environmental Management

Water Use Licence (**WUL**) – a WUL has already been granted for the Project and further amendments to the licence are being sought to better align the grant conditions to an improved execution strategy for mine dewatering. The amendment submission, seeking to clarify water treatment and offsite discharge water quality thresholds, was made, and is pending approval by, the Department of Human Settlements, Water and Sanitation (**DHSWS**).

Square Kilometre Array – The Prieska Project is located within the Square Kilometre Array Radio Telescope Project (**SKA**) area, in which special licencing is required to undertake mining operations. For existing on-site equipment, the Prieska Project is exempt from requiring a permit as the project site falls outside the 30km interference-sensitive zone to the nearest SKA infrastructure. A review meeting was held with the SKA management during the September 2021 quarter and the permitting process remains on track.

Infrastructure

Power Supply – the 15MVA Feeder Bay Self-Build Agreement with national power utility company, Eskom, was executed this reporting period. Deposit payments have also been made for long-lead electrical switchgear items for the feeder bay upgrade. This paves the way for the nearby Cuprum sub-station to be upgraded and connected to supply up to 15MVA of construction power as soon as the project is approved for construction. Site-wide power reticulation has also been designed in preparation for the early de-watering plan.

Water Supply – the Alkantpan Water Pipeline Agreement has been reviewed and approved by all parties and final signature is expected shortly by Armscor management.

Project Construction Preparation and Detailed Five-Year Planning of BFS-20 Plan

Orion has also been concurrently advancing the work streams in preparation to implement the full-scale mine build as contemplated in the BFS-20 plan, in the event that sufficient funding is made available in the near term. Peak funding requirements were estimated to be AUD413m in the BFS-20 Plan.

This preparation work has involved:

- Compiling a detailed mining plan for the first five years of underground mining;
- Preparing the project management Project Charter, developing the project procurement framework and formulating the technology adoption roadmap;
- Continuing to secure critical long-lead equipment including the rock and men and materials winders, as well as the ore processing SAG and ball mills;
- Recruitment of operations management personnel; and
- Advancing key supply contracts – bulk power, bulk water and construction management inquiries.

Discussions with banks and financiers regarding the financing for the full-scale mine build option for the Prieska Project are continuing in parallel with the engineering assessment of the early works opportunities.



Review of Operations – Prieska Copper-Zinc Mine Exploration

105 Level Resource In-fill Drilling

Resource in-fill drilling of the shallow and above-water-level portion of the Prieska deposit, required to support the Early Production Plan, commenced in February 2022 and was completed subsequent to the end of the reporting period. The drilling programme was designed to provide sufficient data to upgrade the majority of the Inferred Mineral Resource portion of the +105 Level Crown Pillar supergene Resource to an Indicated classification in accordance with the JORC, 2012 reporting guidelines (refer ASX/JSE release 20 January 2022).

A total of 14 holes (Figure 4) totalling 917.87m successfully intersected the mineralised zone with an additional five holes abandoned due to poor ground conditions and unacceptable core loss. Assay results for 13 of the 14 holes were received by the end of the reporting period. Results have confirmed the presence of enriched copper and gold mineralisation in the previously drilled supergene mineralisation, which is currently classified as an Inferred Resource due to the wider-spaced drilling intersections (refer ASX/JSE release 11 July 2022). In-fill drill holes have returned high-grade copper intersections including:

- 7.46m at 9.24% Cu, 0.19% Zn, 0.44g/t Au, 17.46g/t Ag from 45.50m in OCOU164;
- 12.53m at 4.89% Cu, 0.04% Zn, 0.51g/t Au, 15.12g/t Ag from 43.52m in OCOU155;
- 6.05m at 5.52% Cu, 1.83% Zn, 0.26g/t Au, 17.18g/t Ag from 45.00m in OCOU142;
- 6.25m at 1.54% Cu, 0.16% Zn, 0.17g/t Au, 6.62g/t Ag from 62.00m in OCOU151;
- 3.10m at 2.10% Cu, 0.81% Zn, 0.25g/t Au, 6.76g/t Ag from 51.00m in OCOU148; and
- 3.40m at 6.91% Cu, 0.07% Zn, 0.21g/t Au, 4.84g/t Ag from 58.00m in OCOU156.

Review of Operations – Prieska Copper-Zinc Mine Exploration continued

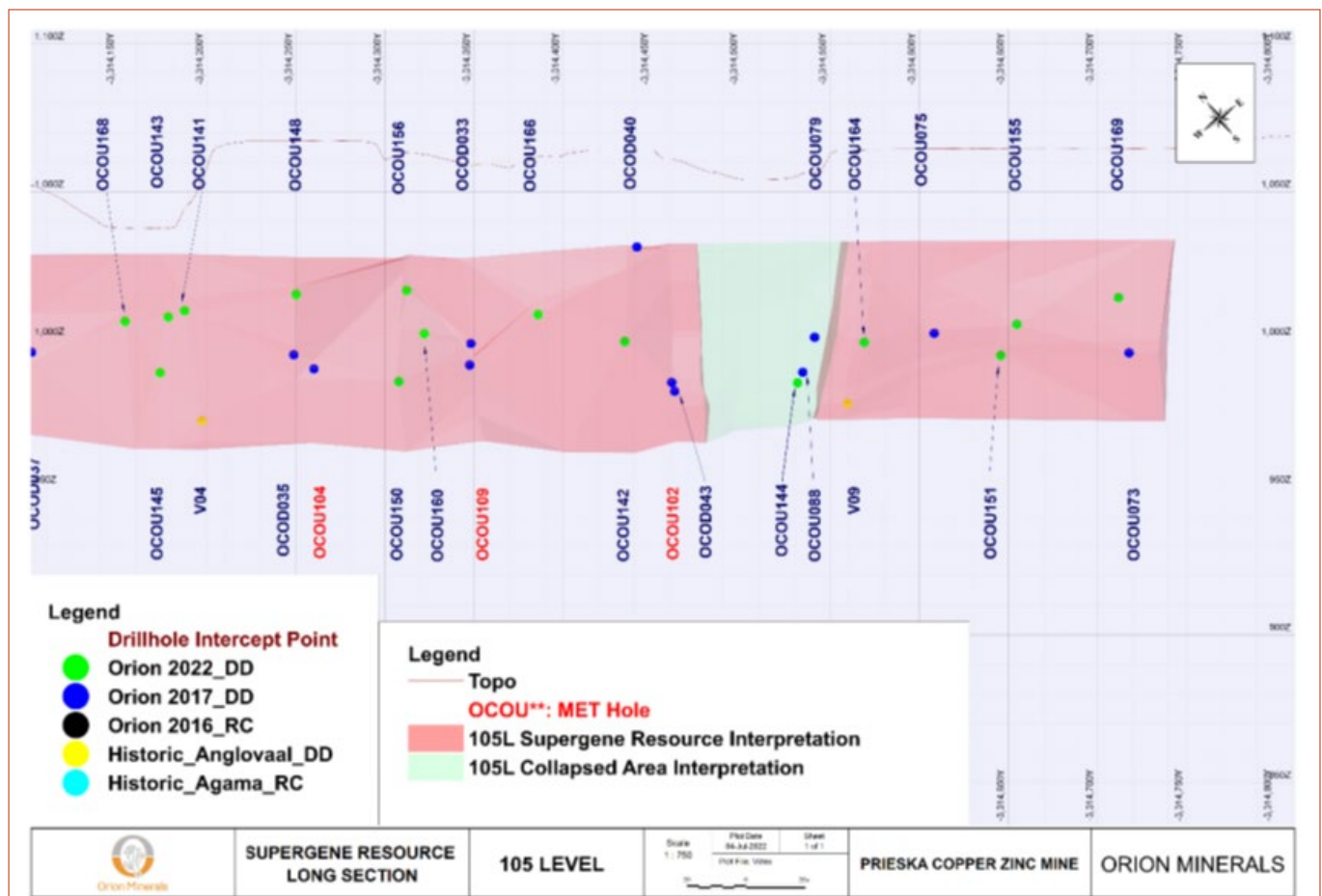


Figure 4: Long section through the +105 Level Crown Pillar supergene Resource showing 2022 drilled area and historical drilling intercepts.

The resource model is currently being updated and the Mineral Resource will be re-estimated and re-classified where appropriate.

The updated Mineral Resource Estimate will be used for mine design and planning for the extraction of the crown pillar using underground mining methods. The crown pillar was originally planned for extraction by open pit mining and is now being evaluated for early mining using underground mining methods and extracted concurrent with the de-watering of the Deeps.

REMNANT PILLAR RESOURCE DEFINITION DRILLING

A remnant pillar resource definition drill programme, designed to confirm the historical survey records and provide sufficient data for Mineral Resource estimation, commenced in April 2022. The initial phase of the drilling campaign focused on remnant pillars currently above the accumulated water level, which is approximately

294m below the surface (Figure 5). The planned program comprised 4,000m of Resource and metallurgical drill-holes.

Previous underground mining was undertaken using long-hole open-stopping methods, without the use of any form of back-filling to stabilise the remaining voids. This meant that a grid of mineralised pillars was left in place to provide geotechnical mine stability. The results of the drilling programme were intended to allow Orion to establish the viability of extracting these remnant pillars.

However, due to technical difficulties in drilling through a fractured footwall formation, the drilling programme has been temporarily suspended whilst other approaches for accessing samples of the pillars are being investigated.

The Company has also commenced a detailed study to assess whether placement of cemented paste-fill in the excavated voids would allow for some of these remnant pillars to be extracted without negatively impacting the long-term geotechnical stability of the mine.

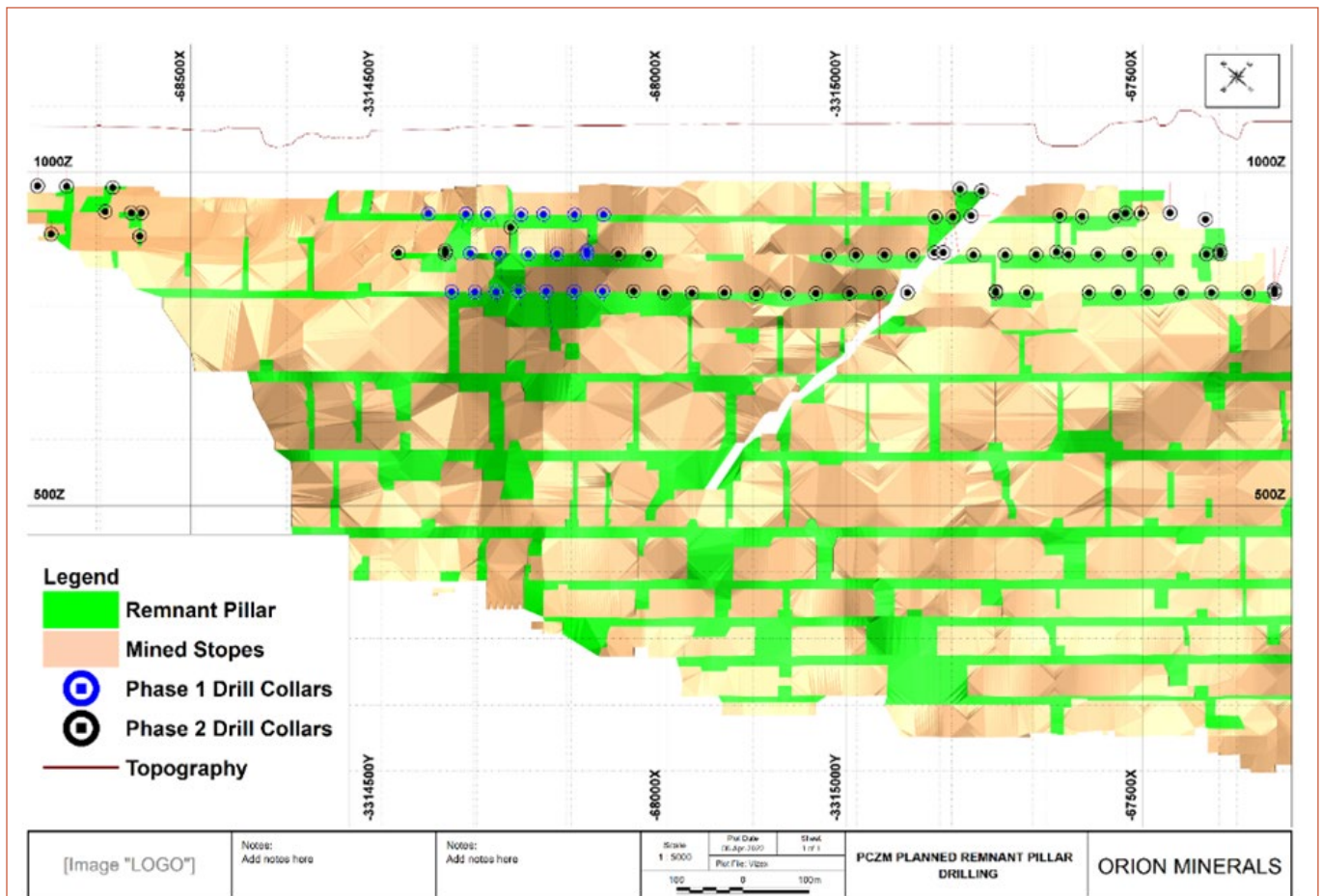


Figure 5: Longitudinal section showing the remnant pillars in the PCZM and planned drilling collars.



Review of Operations

– Okiep Copper Project

PROJECT OVERVIEW

Orion took another key step in its strategy to become a leading diversified international base metals producer during the year after exercising its exclusive option to acquire a controlling interest in the majority of the properties comprising the Okiep Copper Project (**OCP or Okiep Project**), located approximately 570km north of Cape Town in the Northern Cape Province of South Africa. In addition to the OCP Option acquisition, Orion has also applied for additional Prospecting Rights to supplement the OCP mineral rights.

Orion received notification of grant of the first mining right in the Okiep Project in August 2022.

The Okiep Project is a significant growth opportunity with the potential to become a second base metal production hub for Orion in the Northern Cape alongside the Prieska Project, located 450km east of the Okiep Project (Figure 6).

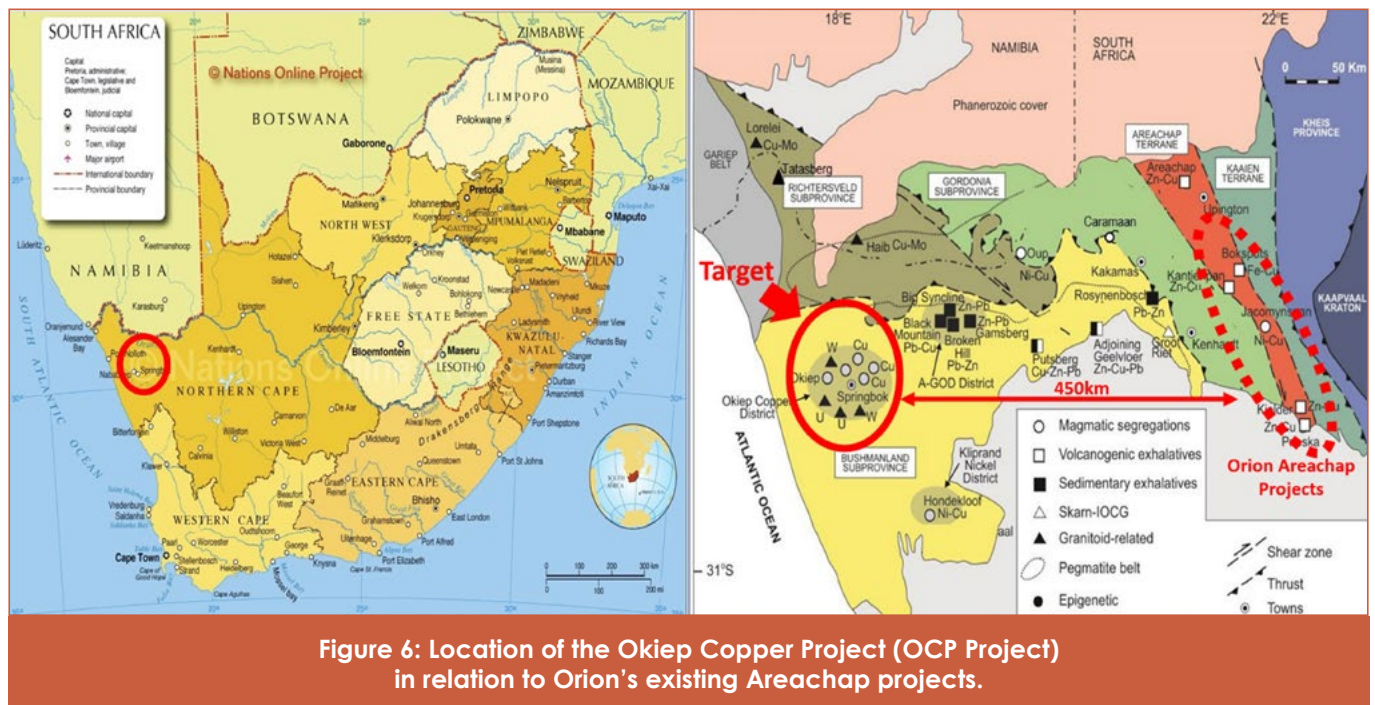


Figure 6: Location of the Okiep Copper Project (OCP Project) in relation to Orion's existing Areachap projects.

Prior to exercising its option over the Okiep Project, Orion undertook extensive due diligence work, including the completion of JORC compliant Mineral Resource Estimates for an initial six deposits totalling 11.5Mt grading 1.4% copper for 159,000 tonnes of contained copper (refer ASX/JSE release 29 March 2021). The majority of the stated mineral resources (9Mt) are located within the recently granted Flat Mines Project Mining Right, with the balance within the surrounding Prospecting Right still awaiting grant.

The Company also completed a positive Scoping Study (refer ASX/JSE release 3 May 2021), which demonstrated the economic merit of developing a foundation phase mining operation on the SAFTA portion of the Okiep Project while Orion conducts the required work and engineering studies to support its aspiration for achieving a larger mining operation with production at a similar scale to past owners Newmont and Goldfields, that produced 30,000–40,000 tonnes per annum of copper.

Orion's objective of rapidly expanding the Mineral Resource base at the Okiep Project was supported by the exercise of a separate option agreement to acquire the extensive historical mining and exploration database held by the O'Okiep Copper Company (and its affiliates) (refer ASX/JSE release 15 February 2021), covering more than 60 years of production and exploration history.

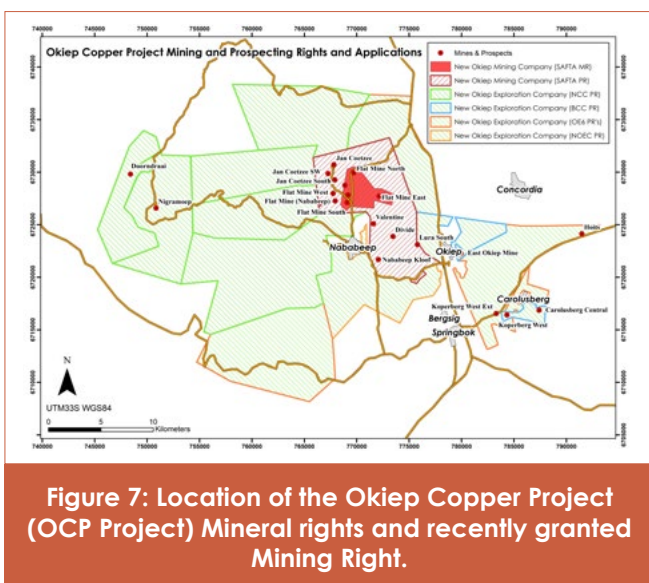
The mineral rights holding of the Okiep Project are intended to be held by two newly-formed Orion companies, namely the New Okiep Exploration Company (Pty) Ltd (**New Okiep Exploration Co**) (initially 100% Orion) and the New Okiep Mining Company (Pty) Ltd (**New Okiep Mining Co**) (initially 56.3% Orion: 43.7% Industrial Development Corporation (**IDC**)). Both entities will, in future, include empowerment partners in compliance with Mining Charter 2018.

In the September 2021 Quarter, the IDC signalled its intention to become a key strategic partner with Orion in the development of the New Okiep Mining Company (a subsidiary of Orion) and the Okiep Project. This newly-created Orion subsidiary will hold the SAFTA assets and will be responsible for advancing its development as a potential second base metals production hub for the company in the Northern Cape region.

On 7 September 2022, Orion announced that it had entered into non-binding term sheets with the IDC and Lulamile Xate regarding the key principles of the funding and Historically Disadvantaged South African (HDSA) ownership participation arrangements for New Okiep Mining Co. Orion and the IDC anticipate finalising and executing the definitive agreements for the IDC share acquisition and pre-development funding arrangements that will allow the IDC funding to flow during October 2022, subject to fulfilment of conditions precedent standard for such arrangements.

Orion, the IDC and Lulamile anticipate finalising and executing the definitive agreements for the HDSA ownership arrangements within Q3 CY2022, with the implementation of the HDSA ownership arrangements being conditional on the transfer of the assets from SAFTA to New Okiep Mining Co, per the terms and conditions of the SAFTA Asset Acquisition Agreement (refer ASX/JSE release 2 August 2021).

The IDC funding of pre-development costs in the amount of ZAR 34.579m will be advanced to New Okiep Mining Co on the same terms as the pre-development funding amount of ZAR 44.458m already advanced by Orion to NOM.



OKIEP PROJECT OPERATIONAL ACTIVITIES

Mine Planning

Sound Mining (Pty) Ltd has been contracted to undertake the detailed mine planning, scheduling and mining engineering studies to be included in the mine feasibility study scheduled for completion by Q1 CY2023.

The detailed mine layouts for the Flat Mine North, South and East ore bodies have been completed and scheduling is being optimised using mine design software. Costing of mine development and stope production is progressing in parallel with this work.

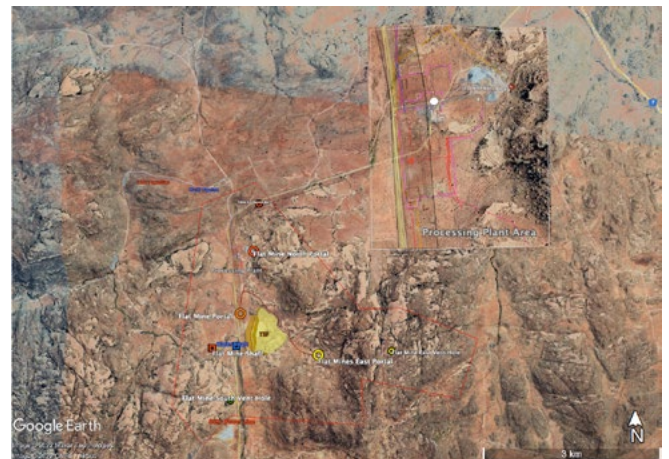


Figure 8: Provisional mine layout Flat Mine North, South and East.

Infrastructure

Power Supply: Applications for the establishment of a 10MVA electricity supply point have been submitted to both Eskom and the Nama-Khoi Local Municipality. In terms of the national electricity supply regulations, either entity could potentially supply power to the new development. The return of a cost-estimate-letter from Eskom is overdue, now expected during Q3 CY2022.

The Nama-Khoi Local Municipal leadership has recently confirmed their desire to provide electricity to the Project on commercially attractive terms. Orion and NKM are jointly drafting an MoU to guide the negotiations around future tariffs and capital costs to extend power to the Point of Supply.

Land Access

A lease agreement with the Nama-Khoi Local Municipality (NKM) for the use of municipal land for the construction of surface infrastructure required for the Mining Operation

Review of Operations – Okiep Copper Project continued

has been concluded and signed. Under the terms of this agreement, the New Okiep Mining Company has exclusive rights for the use of approximately 400 hectares of municipal land on which most of the surface mining infrastructure will be located. This includes the plant site, TSF, haul roads and powerlines required for the project, effectively for the life of the Project.

Negotiations with other landowners are continuing and receiving considerable attention from Orion's commercial team.

Nababeep Mine Offices

Occupation of the former OCC mine offices at Nababeep is complete. Security and access control facilities have been upgraded. A standby diesel generator has been installed to mitigate against the occasional loadshedding and other power cuts that are experienced.

Environmental Management

Water Use Licence Application (WULA)

The drafting of the WULA requires a number of studies to be completed by various Environmental Specialists. During the reporting period, the baseline air quality and dust fallout monitoring was completed, while monthly dust fallout monitoring in the project area is continuing. The only outstanding studies are the groundwater modelling and Geochemical Waste Classification works.

The Geochemical Waste Classification and Radiological Risk Classification on flotation tailings due to be deposited in the Tailings storage facility (TSF) are pending the availability of representative tailings samples from the Metallurgical Test Work Programme.

The Metallurgical Test Work Programme is in an advanced stage, with samples for waste classification expected to be available in Q3 CY2022. Samples of Ore sorting discard material and waste rock mined in development have been received by the laboratory for waste classification of these additional waste streams.

Results of aquifer drilling and testing in and around the TSF and plant sites have been processed and preliminary analysis by the Geohydrologist has been completed. Indications from this work are that an unlined TSF can be successfully permitted in terms of the "risk-based approach" option in the Water Use Licence application process. The drilling of four additional percussion holes is planned to provide additional confirmation data to demonstrate the low transmissivity of groundwater below and downstream of the TSF footprint.

Tailings Storage Facility (TSF)

The detailed design of the TSF in the selected site is in progress (Figure 9). Geotechnical sampling of the underlying soils in the TSF footprint and surrounding areas has been completed and results from laboratory testing of these samples are awaited.

Detailed work on the embankment design using development waste rock and ore sorting discard rock is continuing. The facility will be designed as an unlined facility as there is a high level of confidence that this will be permitted, based on the groundwater study results available to date.

High-resolution terrain surveys have been completed to facilitate the design of the stormwater diversion drains.

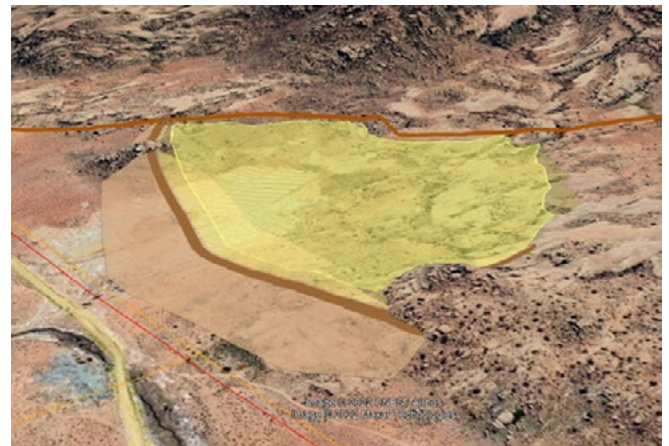


Figure 9: TSF detailed design in progress.

Metallurgical Processing Plant

Following consistently encouraging simulation tests on various ore samples, diamond drill core samples were physically "sorted" in a full-scale sorting machine in RADOS's works in Centurion, Gauteng. The results of this work confirmed the simulation results seen previously. The sorter concentrate samples were sent for further milling and flotation test work, and the discarded material has been retained for further analysis and waste classification work.

A commercial proposal for the inclusion of ore sorters in the Processing Flowsheet by RADOS – including the expected performance and operating cost of their equipment – has resulted in ore sorting being included in the process flowsheet for the plant. The overall impact of ore sorting on the process is a 30% discard of ore sorted (sub-grade material), resulting in a 35% increase in the grade reporting to ore sorter concentrate.

A metallurgical test work programme including milling, flotation and tailings classification is nearing completion. Following some initial scouting tests on ore from surface accumulations in the project area, milling and flotation tests have been conducted on samples of drill core pre-sorted by the RADOS ore sorter.

Milling and flotation tests have separately determined the behaviour of ore from Flat Mines-North and Flat Mines-South, the first of the deposits to be mined.

Behaviour from both ore sources has proved to be similar, with overall copper recoveries of >90% achievable at >30% copper content in concentrates produced. Milling particle size optimisation work is continuing to determine the most beneficial grind size required in terms of overall recovery and concentrate grade produced.

The plant design is progressing in parallel with test work. The plant and surface infrastructure layouts are at an advanced stage of completion, with detailed design of the various plant areas in progress.

New Okiep Mining Company (NOMC) Permitting

The status of the SAFTA Mining Right Application and Prospecting Right Applications pertinent to the NOMC operations are as follows:

- The Mining Right Application has been granted by the DMRE;
- Land access negotiations with the landowners in the Mining Right and adjacent Prospecting Right Areas are in progress; and
- The SAFTA Prospecting Right Applications over the areas contiguous to the MRA area are still in process.

EXPLORATION AT THE OKIEP COPPER PROJECT

Koperberg – Carolusberg line of intrusions

The exploration drilling programme at the OCP was designed to test and expand mineralisation intersected in historical drilling.

The first phase of drilling was completed during the March 2022 Quarter, with assay results received and reported. The maiden drilling programme was initially designed to target near-surface mineralisation close to major infrastructure and existing mine development on the historical Koperberg – Carolusberg line of intrusives. (Figure 10).



Figure 10: Drill Targets on the Koperberg – Carolusberg Lines.

The Carolusberg Complex was the biggest contributor to historical mining in the Okiep Copper District, delivering 38Mt grading 1.54% Cu out of the reported total of 105Mt mined over the past 100 years (refer ASX/JSE release 21 May 2021). Historical mine records show that Carolusberg Deeps contributed 16Mt at a head grade of 2.05% Cu (refer ASX/JSE release 3 August 2021).

Orion applied an exploration model derived from structural interpretation of the Carolusberg Mine mineralisation. Mineralisation mined 2,000m to the east, along strike at Carolusberg Deeps, showed characteristic south-stepping down dip, en-echelon lenses (Figure 11).

The drilling programme included twin and in-fill drilling to verify historical drill results and underpin an updated Mineral Resource estimation. The completed programme comprised 25 diamond holes for 3,411m.

Assay results have confirmed historically reported mineralisation, with high-grade copper mineralisation close to surface. Results include:

- 10.36m at 1.84% Cu from 58.98m in OKWD100;
- 5.71m at 1.93% Cu from 72.85m and 4.76m at 3.99% Cu from 95.08m in OKWD102;
- 4.69m at 2.05% Cu from 49.22m in OKWD105;
- 5.76m at 1.46% Cu from 21.38m in OKWD109;
- 7.76m at 1.94% Cu from 29.65m in OKED064;
- 9.02m at 1.45% Cu from 103.08m in OKED068; and
- 5.69m at 1.45% Cu from 135.75m and 5.08m at 1.31% Cu from 159.30m in OKWED069.

Review of Operations – Okiep Copper Project continued

Significantly, drilling also intersected a new mineralised zone at Koperberg West, supporting Orion's geological model, with a high-grade intercept of 4.76m at 3.99% Cu (from 95.08m in hole OKWD102) (refer ASX/JSE release 11 January 2022).

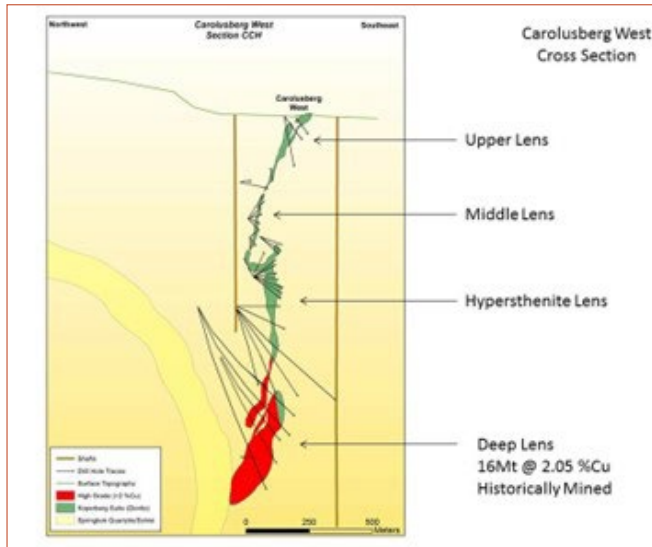


Figure 11: Carolusberg Deeps cross section showing characteristic discontinuous and south stepping down dip, mineralisation lenses historically mined to 1,900m depth (after Lombaard, 1986).

The drilling has confirmed historical results, outlining shallow high-grade copper mineralisation; importantly, it has also confirmed Orion's geological hypothesis for a model for intrusive bodies arranged in en-echelon down-dip side-stepping lenses.

Historical drilling focused on drilling down-dip projections of known mineralisation, without fully testing the probable side-stepping of mineralised lenses as was encountered at the 38Mt Carolusberg Deeps mine, which sits along strike from and on the same structure as Koperberg.

This potential for offset, high-grade lenses that continue down-dip below the extensive, shallow historical mining on the 5km strike Carolusberg line, represents a very exciting exploration opportunity. Drill testing this down-dip position has been elevated to a high priority focus for 2022, alongside the testing of EM targets identified through the recent SkyTEM™ survey.

MULTIPLE PRIORITY ELECTROMAGNETIC TARGETS IDENTIFIED

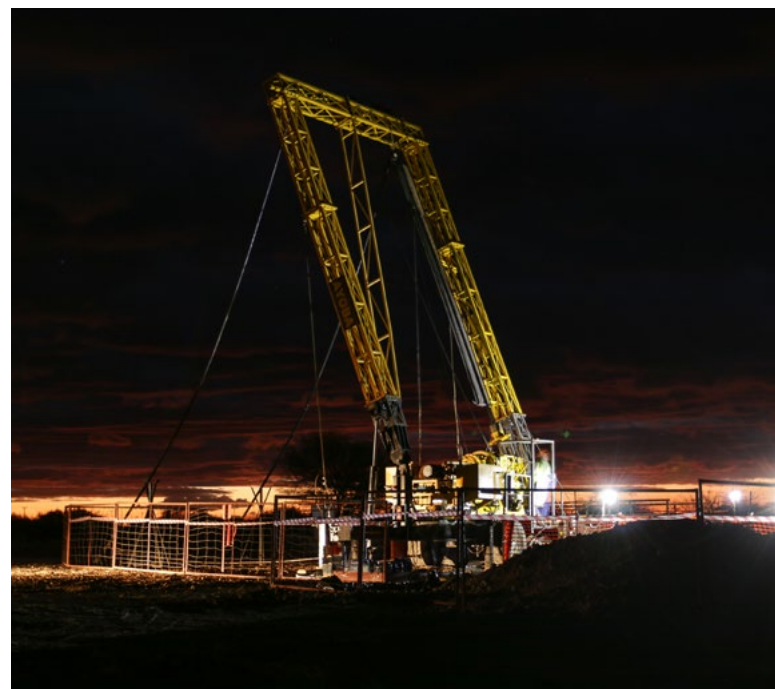
During the year, Orion successfully completed an extensive SkyTEM™ helicopter-borne electromagnetic geophysical (AEM) survey at the OCP covering a total area of 1,872km² with approximately 1,073 line-kms flown at 1km line spacing in conjunction with the Council for Geosciences and Orion's high-priority area of 857km² flown at 150m line spacing resulting in a total of 7,348 line-kms being flown.

The processed and finalised data has identified several high priority anomalies which have been modelled for further follow-up and demonstrate the value of applying modern exploration methods to the 1,872km² area.

Historically, mining at the OCP by previous owners focussed on bornite rich, lower sulphidation copper mineralisation that was easily concentrated to high grade copper concentrates (>35%), but were not conducive to AEM survey detection.

However, Orion has identified potential of a different style of copper mineralisation, that is often encountered in the district, being pyrrhotite rich chalcopyrite-bornite rich mineralisation, often found associated with massive sulphide that will be highly amenable to AEM.

Importantly this style of mineralisation is thought to have high potential for significant Ni credits.



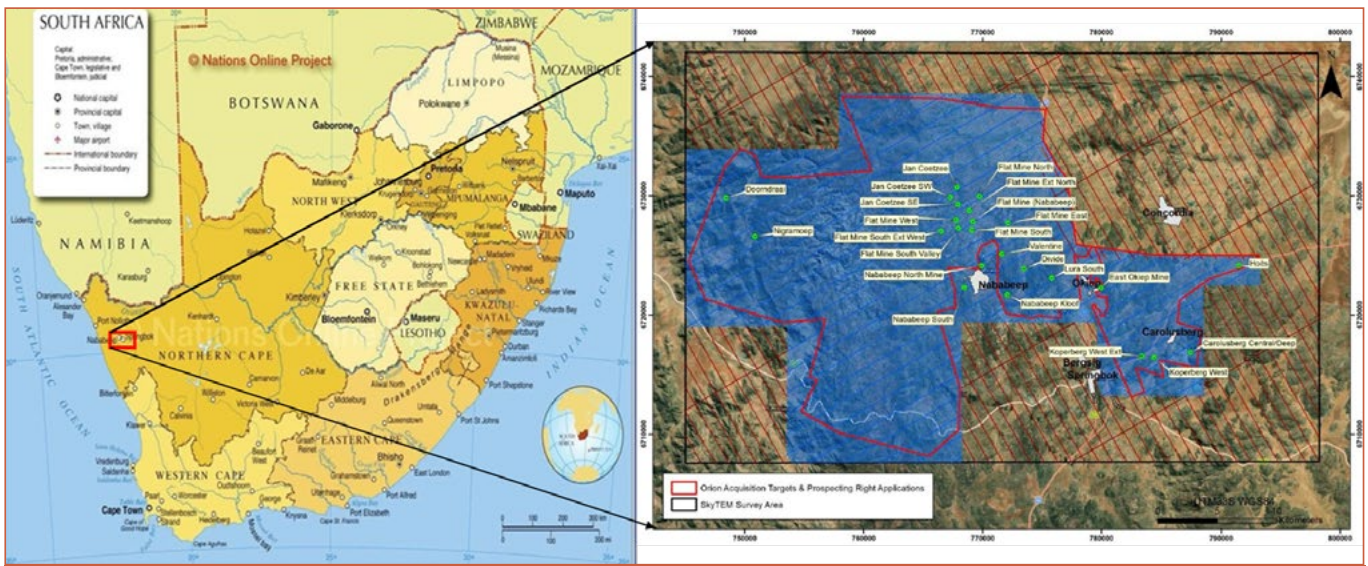


Figure 12: Locality plan of the 1,872km² SkyTEM™ survey over the OCP area (blue area on the right indicates high resolution flight lines).

SKYTEM™ SURVEY RESULTS

Several 'late-time' conductors have been selected as first-pass targets (Figure 13) with scope for more targets to be identified. A number of the conductors are close to known copper deposits, with the five best targets located close to the historical mining area of Nababeep (Figure 14).

Interpretation of the AEM data includes filtering out of near-surface cultural effects, ground-truthing of anomalies, modelling of anomalies and target prioritisation. Further processing of data may assist with the identification of additional, more obscure anomalies.

The magnetic data from the SkyTEM™ survey assists in the prioritisation of AEM targets. The emplacement of the mafic intrusions that host copper deposits at the OCP are known to be structurally controlled and the magnetic data from the SkyTEM™ survey significantly improves Orion's understanding of the geology and structure of the OCP – assisting with exploration targeting.

In addition, three-dimensional inversion modelling of magnetic anomalies will be undertaken. Although ground and airborne magnetic surveys were historically used as exploration tools, this is the first time that 3D inversion modelling of aeromagnetic data has been undertaken in the OCP area. A database of anomalies and their respective exploration priority rank will be compiled and maintained.

Orion believes that high-quality drill targets will be generated from the combination of the AEM and magnetic models and the reinterpretation of available historic geological data. Once they have been prioritised, the targets will be followed up with high-powered ground EM and drilling.

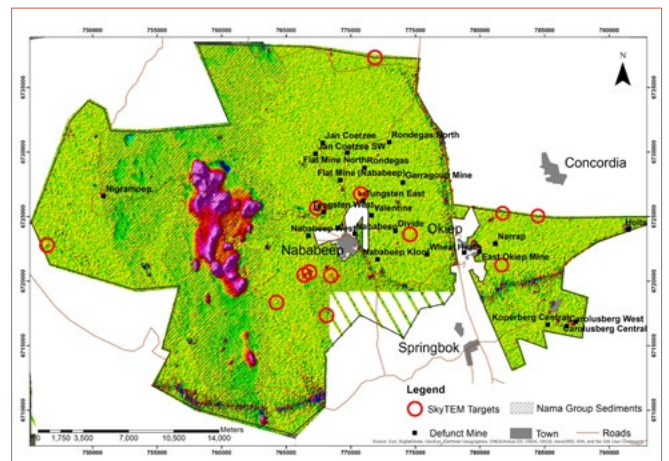


Figure 13: A Z-Channel 40 AEM image over the OCP area, with preliminary SkyTEM™ anomalies selected for follow-up.

Review of Operations – Okiep Copper Project continued

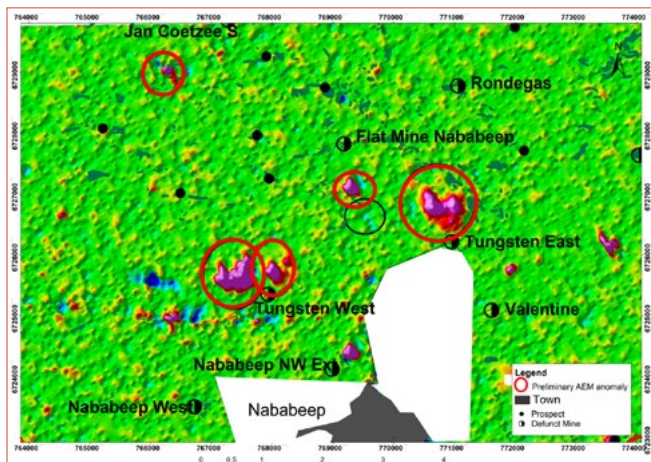


Figure 14: AEM targets on Newly Granted SAFTA Mining Right, close to NababEEP illustrating the proximity of these targets to large known deposits.

Nous Prospect

Three diamond drill holes were completed at the Nous Prospect (for a total of 363.03m) on SkyTEM™ anomaly Target 4.

The Nous Prospect encompasses two adjacent SkyTEM™ targets associated with magnetic anomalies. The prospect is located approximately 5km south-west of the historical NababEEP Mine, which has a recorded historical production of >2Mt (Figure 15) (refer ASX/JSE release 2 February 2021).

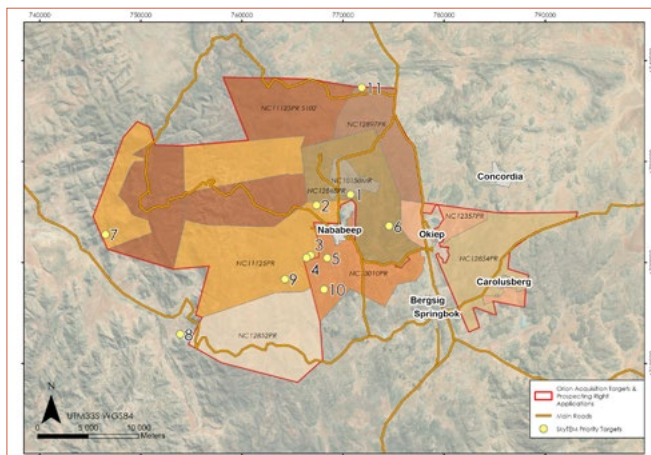


Figure 15: Locality map of SkyTEM™ priority Targets 1-7, within OCP Prospecting and Mining Rights.

The first diamond drill hole (OND001) completed at the Nous Prospect (Targets 3&4) intersected mafic-intrusive-hosted copper sulphide-nickel mineralisation

over a drill width of 10m from 31.72m down-hole (refer ASX/JSE releases 28 April 2022 and 24 February 2022). The mineralisation intersected occurs as blebs, veins and massive sulphide (80-100%) lenses of pyrrhotite–chalcopyrite over widths of 1-25cm in drill core within the magnetite rich, mafic intrusive host.

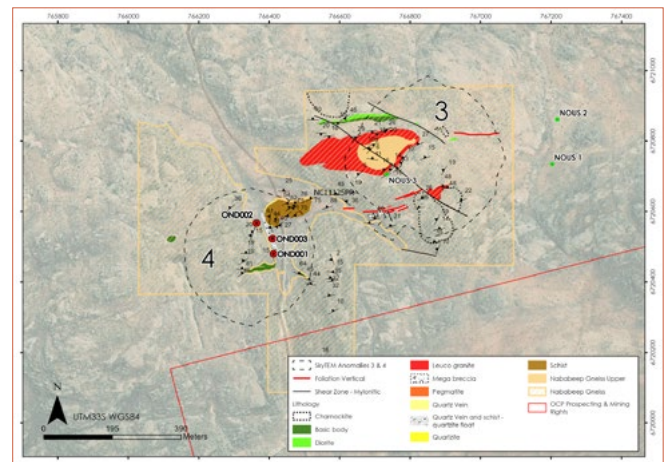


Figure 16: Map of the Nous prospect showing drill localities at Targets 3 and 4.

Drill-hole OND001 intersected 10m at 0.67% Cu and 0.07% Ni from 31.72m including 3.87m at 0.91% Cu and 0.07% Ni from 33.45m (refer ASX/JSE release 28 April 2022) as indicated above. Importantly, veins of semi-massive to massive pyrrhotite sampled in the hole assayed up to 0.40% Ni, indicating high nickel tenors in the pyrrhotite rich phase of intrusive and the potential for valuable nickel credits in mineralisation hosted within pyrrhotite-rich copper deposits in the OCP.

Historical Digital Data Compilation

A programme of digital data capture from scanned historical information for Orion's current ground holdings and application areas has been ongoing since early 2021.

The emphasis to date has been on capturing historical drilling information to reinterpret geological models and assess remaining Resources in historically mined and explored areas. The programme also includes digitising historical mine workings, capture of pertinent geological features (such as steep structures) and historical geophysics.

Out of 75 identified historical prospects, no data has been located for 11, while 43 have been partially/fully captured and 23 lower priority prospects have not yet been captured.

Work is now focusing on the consolidation of historical drilling information, reinterpretation of geological models for the areas where capture of historical drilling data is completed and prioritising the timely completion of the remaining areas.

Review of Operations – Jacomynspan Ni-Cu-Co-PGE project

The Jacomynspan Nickel-Copper-PGE Project (**JMP Project**), which is located 65km north of the Prieska Project, hosts a large ultramafic intrusive body that hosts a disseminated Ni-Cu-Co-PGE deposit. Resource drilling over less than 15% of the strike of the mapped outcrop of the intrusive has already defined a Mineral Resource of 65Mt at 0.28% Ni, 0.19% Cu & 0.02% Co, using a cut-off of 0.2% Ni (refer ASX/JSE release 8 March 2018).

Orion's drilling has identified near surface, higher grade massive sulphide mineralisation within the large disseminated sulphide body.

The Project has a granted Mining Right over a proven Ni-Cu-Co-PGE+Au Intrusive Complex.

Orion is currently finalising its acquisition of the remaining minority interests in the JMP Project to consolidate ownership of the highly prospective project area. This follows an extension to the final completion date under the original acquisition agreement (refer ASX/JSE release 4 March 2022).

In light of the JMP Project's compelling potential for battery metals (with demonstrated prospectivity for nickel, copper, cobalt, PGEs, lithium and Rare Earth Elements), Orion has commenced a review and update to the JMP Scoping Study, completed by the Company's project partner, Namaqua Nickel Mining (Pty) Ltd, in 2012.

EXCLUSIVITY AGREEMENT WITH STRATEGA METALS

During the June 2022 Quarter, Orion signed an exclusivity agreement with Stratega Metals to undertake amenability test work on a 250kg sample of Ni-Cu-Co-PGE-Au concentrates from the Jacomynspan Project (refer ASX/JSE release 9 May 2022).

This agreement gives Orion the exclusive right to earn a 75% interest in Stratega by funding the establishment of a bespoke test work facility and demonstration plant at Orion's project sites.

Stratega has secured licencing for modified carbo-chloro metal vapour extraction technology (**CCMVT**), which separates refined carbonyl metal powders from the metal concentrates. The key reaction in CCMVT uses chlorine and carbonyl (carbon monoxide, which is harvested from the air) and recycled within a sealed, pressurised reactor vessel and the circuit then feeds to distillation vessels to recover separated refined carbonyl metal powders.

The processes are proven and used separately at large scale in refineries and chemical plants throughout the world. The largest carbonyl metal vapour plants are operated by Vale to produce nickel carbonyl powders at Sudbury in Canada and at Clydach in Wales. The Chloro vapour process is commonly used in Ti, and Zr extraction and to produce refined iron oxides powders and high purity iron powders used in nano applications. Stratega has identified the opportunity to combine the chloro and carbonyl metal vapour processes for the application to base metal sulphide concentrates.

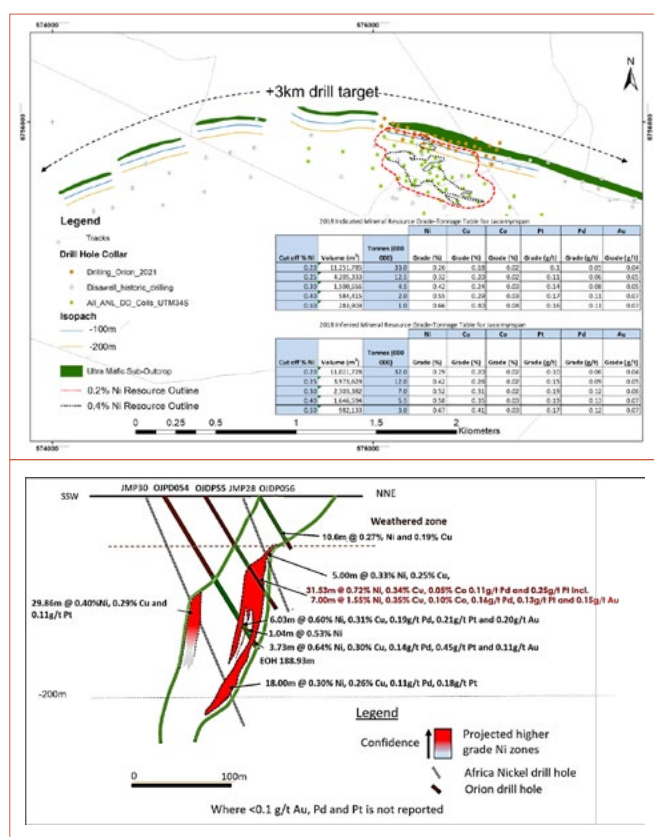


Figure 17: Drill hole locations and mineralisation intersected.

Review of Operations – Jacomynspan Ni-Cu-Co-PGE Project continued

The CCMVT refining process (Figure 18) promises very attractive characteristics including:

- Production of metal products that trade at significant premiums to LME prices of contained metal, targeting the battery and specialist electronics and chemical industries;
- Recoveries of >90% for all metals to refined product and elemental sulphur from low grade sulphide concentrates;
- A dry process using no water;
- Low energy consumption utilising cogeneration from exothermic process and amenable to renewable energy power supply for energy make-up;
- Near zero emissions – only minor non-toxic waste products; and
- Small compact plant with a very small footprint.

The technology promises characteristics that are ideally suited to low grade disseminated Ni sulphide deposits, such as the JMP deposit that are less suitable for conventional concentration and sale of higher grade Ni concentrates to existing Nickel refineries.

The characteristics of this technology make it an ideal fit with Orion's ambitions to become a fully-integrated mining and processing business that produces premium metal products with strong ESG credentials that are certified from point-of-source to market.

Orion has commenced due diligence on the process and is currently undertaking laboratory testwork using drill core from the JMP deposit.



Vale is the worldwide leader in carbonyl nickel powder, which they produce at Copper Cliff Refinery in Sudbury, Ontario, and at the Clydach Refinery in Wales.

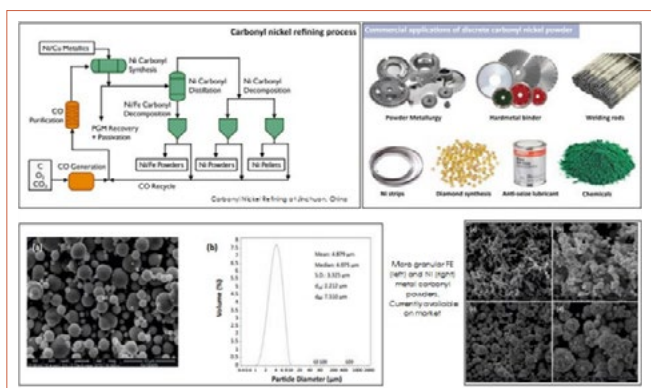


Figure 18: Carbonyl nickel refining process.

NEAR-MINE EXPLORATION

Within the Areachap Belt, Orion holds a 1,790km² land-holding that offers outstanding potential for the discovery of both Volcanogenic Massive Sulphide (VMS) mineralisation and intrusive Ni-Cu-PGE mineralisation.

Near-mine projects are those projects within prospecting rights held by PCZM (Dooniespan), Vardocube (Pty) Ltd and Bartotrax (Pty) Ltd. VMS deposits worldwide tend to occur in clusters and apart from the sizable Prieska Deposit, five smaller deposits have previously been discovered on the near-mine project areas.

These deposits include Annex, explored by Anglovaal between 1969 and 1981; the PK1, PK3 and PK6 deposits on Dooniespan (Kielder Prospects), explored by Newmont South Africa between 1976 and 1979; and the Ayoba mineralisation discovered by Orion in 2018.

Review of Operations

– Regional Exploration

At a regional level, exploration work continued during the year on the Masiqhame Prospect and the Namaqua-Disawell Prospect.

The Company holds a substantial and prospective land holding in the Areachap Belt (Figure 19). The Areachap Belt is analogous to other Proterozoic mobile belts hosting major VMS and magmatic Ni-Cu-Co-PGE deposits.

In addition to the PCZM Near-Mine VMS Project, the Company is also prospecting for VMS deposits on the Masiqhame Prospecting Right (Figure 19). The Kantienpan (Zinc-Copper-Silver-Gold) and Bokspits (Copper-Gold) deposits are the two most prominent known VMS deposits on the Masiqhame Prospecting Right.

Similarly, world-class intrusive nickel deposits also tend to occur in clusters both on prospect and regional scale in orogenic belts along geological plate margins similar to the Areachap setting. Several mafic intrusive bodies with nickel and associated metals are located on the Namaqua-Disawell Prospecting Rights and all Orion's prospecting rights in the belt.

The setting of mineralisation has been confirmed to be analogous to other orogenic-hosted, deep-seated magma conduit complexes such as Kabanga (Tanzania), Nova (Australia), Akelikongo (Uganda), and Limoeiro (Brazil). Conduit-style mineralisation is currently the top priority global target for magmatic Ni-Cu-PGE sulphide exploration.

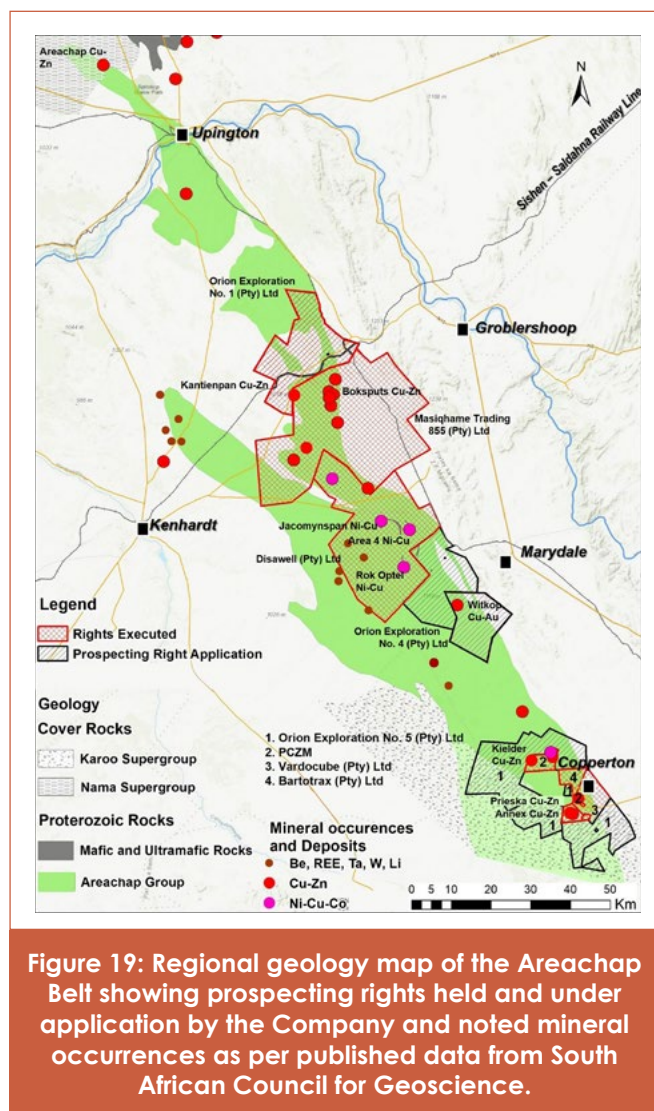


Figure 19: Regional geology map of the Areachap Belt showing prospecting rights held and under application by the Company and noted mineral occurrences as per published data from South African Council for Geoscience.

MASIQHAME PROSPECT

Orion secured the grant of the Bokspits North Prospecting Right late in September 2021 and immediately commenced diamond drilling on a high-priority target detected by a FLEM survey on the boundary of Orion's existing Masiqhame Prospecting Right and the newly-granted Bokspits North Prospecting Right.

The Bokspits Prospect, which is located on the northern boundary of the Company's Masiqhame Prospecting Right, has recently delivered very encouraging copper-gold intersections on the 400 Siemens (s) B4 FLEM conductor, including a best section of 5m at 1.09% Cu and 0.13g/t Au, including 1.00m at 2.25% Cu and 0.32g/t Au (refer ASX/JSE release 25 January 2021).

A follow-up FLEM survey of the B1 conductors previously detected in two small survey loops confirmed a strong (3000s-6000s) conductor.

Orion drilled two holes at this conductor. The first hole, OBPD002, deflected significantly due to geological factors, missing its intended target. However, it did intersect a zone of pyrrhotite mineralisation from 610m to 614m. A second hole, OBPD004, also deflected more than expected, however, the down-hole EM survey indicated that it skimmed the uppermost part of the conductor. OBPD004 also intersected some pyrrhotite mineralisation from 824m to 843m down-hole. No significant assays were received for either hole.

A DHEM survey was completed in OBPD004 to EOH 902.02m which confirmed that the most conductive part of the conductor was in the footwall of the drill-hole at depth. A decision was taken to deflect off the mother hole and then steer the hole using a Reflex navigational drilling down-hole motor.

Review of Operations – Regional Exploration continued

Two deflections were drilled with assistance of directional wedges and down-hole steering motors, however the hole trajectories deviated unacceptably from target and drilling was suspended pending further technical evaluation.

Exploration early in 2022 included in-fill and extensional soil sampling on the Bokspuits prospect where copper soil anomalies were discovered in 2020, and on the Bokspuits East prospect, where Orion geologists previously discovered an ultramafic intrusive with elevated nickel values (using a calibrated, hand-held Niton XRF instrument).

In total, 153 soil samples were collected over the Bokspuits "main" grid, while 474 samples were collected over the Bokspuits East grid. The collected soils were screened to -75 mesh size and analysed onsite using a handled Niton XRF instrument. Field mapping at Bokspuits East prospect is ongoing.

NAMAQUA-DISAWELL PROSPECTING RIGHTS

At Namaqua-Disawell, further mapping was conducted over FLEM conductor HP3 in licence NC10938PR with gossanous float and occasional highly pyritiferous quartzite being observed.

Standpipe collar installation and drill site rehabilitation was completed for the Jacomynspan prospect, straddling Prospecting Licences NC10938PR and NC11010PR. The rehabilitation work was audited by an environmental consultant in November 2021.



Review of Operations – Australian Projects

FRASER RANGE – NICKEL-COPPER PROJECTS (WESTERN AUSTRALIA)

The Fraser Range Project in Western Australia is a belt-scale project which is highly prospective for high-value magmatic nickel-copper-cobalt (Ni-Cu-Co) sulphide discoveries.

Orion maintains a sizeable tenement package in the Fraser Range Province of Western Australia in a joint venture with IGO Limited (ASX: IGO) (refer ASX release 10 March 2017). Under the terms of the joint venture, IGO is responsible for all exploration on the tenements and provides regular updates to Orion on activities and results.

Importantly, Orion maintains exposure to the ongoing exploration and development of the Fraser Range Project without the additional financial commitment, given that Orion is free-carried through to the first pre-feasibility study on any of the tenements.

A drilling programme aimed at testing number of high-priority magmatic nickel-copper targets within the IGO-ORN JV tenement E28/2367 commenced in November 2021. Drilling intersected graphitic sulphidic schists with no material base metal values reported.

E28/2367 includes the highly prospective Pike, Bilby (formerly Pike Eye), Pike North, Hook and Garfish targets, located along trend just 16km north-east of the recently confirmed Mawson nickel-copper discovery (Figure 20). The intrusive rocks hosting nickel mineralisation at Legend Mining's nearby Area D discovery also occur within a bedded meta-sediment package containing graphitic units.

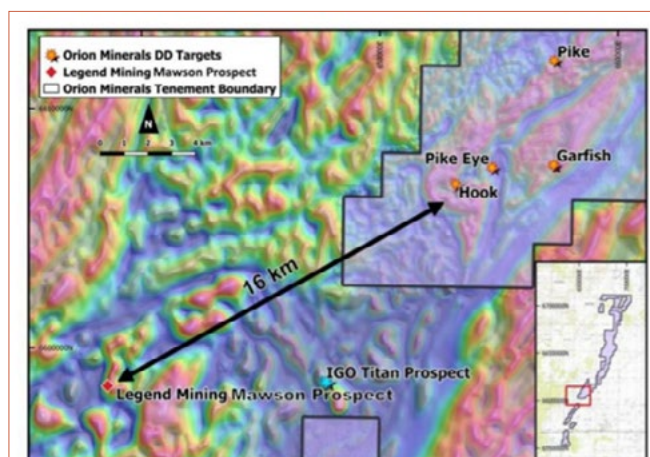


Figure 20: IGO-ORN Fraser Range Joint Venture tenements showing regional aeromagnetic image and locality of the Pike Prospects relative to nearby Legend Mining Mawson Prospect.

IGO has stated that it remains committed to investing in growth through discovery. In its Macquarie Australia Conference presentation, IGO noted that its Fraser Range and Nova exploration represented almost 51% of its total \$65 million FY22 exploration budget (refer IGO ASX release 5 May 2022).

During the year, IGO completed the following exploration activities on the JV tenements:

- A review of the high-temperature Squid moving loop EM survey completed in the June 2021 Quarter, receipt of the detailed petrographic from drill core submitted to Canadian University for thin section and mineralogy mapping;
- Air-core drilling at the Angler target (E28/2462);
- Review of the bulk geochemical analyses at the Angler target (E28/2462);
- Air-core drilling partially completed over the Calypso target (E28/2596);
- Diamond drilling at the Hook 1 & Hook 2 and Bilby targets (E28/2367);
- Two Moving Loop Electromagnetic (MLEM) surveys partially covering E39/1654 and E39/2707;
- Three DHEM surveys were conducted on all diamond drill holes;
- Processing and interpretation of Wai-iti North and South ground geophysical surveys (E39/1454 & E39/2707);
- Review of the bulk geochemical analyses at the Calypso target (E28/2596);
- Geological and structural logging of diamond cores drilled in the December 2021 Quarter;
- Heritage agreement negotiations continued with Central Desert Native Title Services (CDNT) on behalf of the Untiri Pulka (UP) and the Upurli Upurli Ngunratja (UUN) Native Title Claims;
- Ground-based heritage field assessment continued over UP claim on Artemis, Praetorian, Porpoise, Millenium South and HA1 targets;
- An airborne heritage survey was completed over the UUN claim on NW Passage, Pennor North and CE targets;
- Drilling was undertaken at Achilles target with 16 air-core holes drilled for 318m. Assays were submitted and results received (E69/2707);
- One air-core bottom-of-hole (BOH) sample from Angler target was selected for thin section preparation (E28/2462);
- Rehabilitation was undertaken at the Angler target on Boonderoo Station – 18 air-core holes;

Australian Projects continued

- Re-sampling of air-core spoils in hole 21AFAC10410 was undertaken from 105-125m to detail zinc anomalism on the Angler target (E28/2462);
- A review and evaluation of geochemical assays from diamond drilling at the Bilby, Hook 1 and Hook 2 targets (E28/2367) was undertaken;
- Evaluation and structural interpretation of the Bilby (21AFDD104) off-hole EM anomaly was completed; and
- Integrated geological interpretation of geophysical, petrophysical and geochemical datasets was completed for E28/2367.

Work planned for the first half of the 2023 financial year includes diamond drilling at the Pike North target, analysis of the geochemical results from air-core drilling at the Angler target area (21AFAC10410), a moving loop electromagnetic survey over the Pennor North and Porpoise target areas as well as a review of all exploration results within the JV tenement area.

WALHALLA GOLD AND POLYMETALS PROJECT (VICTORIA)

While the Walhalla-Woods Point District is best known for gold mining, high-grade copper-nickel and PGE mineralisation also occurs within the belt. Both the gold and copper-nickel-PGE mineralisation within this district are hosted within dykes from the Woods Point Dyke Swarm (**WPDS**), a series of ultramafic to felsic dykes occurring over a 75km long north-south belt.

No field or exploration work was carried out on the Walhalla Project during the reporting period. The Company continued to progress its licence applications over prospective areas of Walhalla.



Ore Reserves and Mineral Resource Statement

Orion has a dual listing with the Australian Securities Exchange (ASX) and the Johannesburg Stock Exchange (JSE) and reports Exploration Results, Mineral Resource and Ore Reserve Estimates in accordance with the ASX Listing Rules and the requirements and guidelines of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, 2012 (the JORC Code).

The JSE requires reporting in terms of the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves, 2016 (SAMREC Code), however, the JORC Code requirements are considered similar enough to be accepted by the JSE. The Orion financial year-end is 30 June and all subsidiaries have been aligned to this annual reporting date.

The 2022 Annual Report covers Orion's eight exploration projects in the Areachap and Okiep areas in the Northern Cape province of South Africa as well as its interest in a number of Australian projects. By the end of FY2018, Indicated and Inferred Mineral Resources were classified and reported from both Orion's flagship Prieska VMS Project (refer ASX releases 8 February 2018 and 9 April 2018) as well as the Jacomynspan Nickel-copper Project (refer to ASX release 8 March 2018). By the end of FY2019, the Prieska Project's Mineral Resources had been upgraded to Probable Mineral Reserves, Indicated Mineral Resources and Inferred Mineral Resources for both the surface +105 Level Mineral Resource (refer ASX releases 15 January 2019 and 26 June 2019) and the underground Deep Sulphide Mineral Resource (refer ASX releases 18 December 2018 and 26 June 2019). The Prieska Deep Sulphide Ore Reserve was updated in FY2020. In 2021, two maiden Mineral Resources were announced for Orion's Okiep Copper Project covering a number of known copper deposits.

Listings of the respective estimates as they stand at the end of FY2022 are tabulated below for Orion's total interests and for the operational and project divisions. A comparison of the FY2021 and FY2022 estimates are also summarised below on a project-by-project basis. The tables are accompanied by the relevant JORC Code Competent Person statements. Refer to the Corporate section for Orion's interest in each project.

Orion's procedures for public reporting ensure transparency, materiality and competence in its governance of Mineral Resource and Ore Reserve Estimates and release of results requires several assurance measures.

Firstly, the Competent Persons responsible for public reporting:

- must be current members of a professional organisation that is recognised in the JORC Code framework;
- must have at least five years relevant experience in the style of mineralisation and reporting activity for which they are acting as Competent Person;

- must have given a written consent for inclusion of the results and estimates that are reported, stating that the report agrees with supporting documentation regarding the results or estimates prepared by each Competent Person; and
- must have prepared supporting documentation for results and/or estimates to a level consistent with standard industry practices.

This includes JORC Table 1 Checklists for any results and/or estimates reported.

Orion also ensures that any publicly reported results and/or estimates are prepared using JORC and ASX guidelines, accepted industry methods and using specialised guidance for aspects where required, such as metal prices and foreign exchange rates. Estimates and results are also peer reviewed internally by Orion's senior technical staff before being presented to Orion's Board for approval and subsequent ASX reporting.

Market sensitive or production critical estimates may also be audited by suitably qualified external consultants to ensure the precision and correctness of the reported information. Once operational, Orion plans to ensure that the estimation precision of actual mine and process production is compared to the Mineral Resource and Ore Reserve forecasts.

PRIESKA PROJECT MINERAL RESOURCES AND RESERVES

The BFS reported on herein contains production targets and forecast financial information supported by a combination of Probable Ore Reserves, Indicated Mineral Resources and Inferred Mineral Resources, all as defined, compiled and disclosed in compliance with ASX Listing Rules and The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 (JORC (2012) or JORC Code) reporting standards. The Ore Reserves and Mineral Resources underpinning the production target in this report have been prepared by competent persons in accordance with the requirements in Appendix 5A (JORC (2012)).

Mineral Resources

The Mineral Resource Estimate for the Prieska Project is as reported in the 2020 annual report. There are no material changes to the estimate.

The Mineral Resource Estimates classified and reported in terms of the JORC Code, 2012 guidelines, for both the Deep Sulphide Mineral Resource and the +105 Level Mineral Resource are as tabled individually below and then combined in the final table.

Ore Reserves and Mineral Resource Statement continued

Deep Sulphide Mineral Resource for PCZM + Vardocube Tenements (Effective date: 15 December 2018) ¹						
	Classification	Tonnes	Cu (metal tonnes)	Cu (%)	Zn (metal tonnes)	Zn (%)
PCZM	Indicated	15,052,000	170,000	1.15	510,000	3.38
	Inferred	6,998,000	80,000	1.04	270,000	3.86
	Total	22,050,000	249,000	1.13	779,000	3.53
Vardocube	Indicated	3,455,000	44,000	1.27	158,000	4.57
	Inferred	3,221,000	41,000	1.27	147,000	4.56
	Total	6,676,000	85,000	1.27	305,000	4.57
Deep Sulphide Total	Indicated	18,507,000	217,000	1.17	667,000	3.60
	Inferred	10,219,000	117,000	1.14	417,000	4.08
	Total	28,726,000	334,000	1.16	1,084,000	3.77

Deep Sulphide Resource bottom cut-off = 4% Equivalent Zn (Zn Eq = Zn% + (Cu%*2)). Mineral Resources stated at zero % cut-off. Tonnes are rounded to thousands, which may result in rounding errors.

+105 Updated Mineral Resource for the PCZM Tenement (Effective date: 11 January 2019) ²						
Classification	Mineralised zone	Tonnes	Cu (metal tonnes)	Cu (%)	Zn (metal tonnes)	Zn (%)
Indicated	Supergene	624,000	10,000	1.54	19,000	3.05
	Total	624,000	10,000	1.54	19,000	3.05
Inferred	Oxide	511,000	3,000	0.6	4,000	0.9
	Supergene	627,000	14,000	2.2	11,000	1.8
	Total	1,138,000	17,000	1.5	16,000	0.9
Total Mineral Resource		1,762,000	27,000	1.5	35,000	2.0

+105m Level Mineral Resource bottom cut-off = 0.3% Cu. Mineral Resources stated at zero % cut-off. Tonnes are rounded to thousands, which may result in rounding errors.

Combined Prieska Project Mineral Resource for PCZM + Vardocube Tenements (Effective date: 11 January 2019) ²						
Mineral Resource	Classification	Tonnes	Cu (metal tonnes) ²	Cu (%)	Zn (metal tonnes)	Zn (%)
Deep Sulphide Resource	Indicated	18,507,000	217,000	1.17	667,000	3.60
	Inferred	10,219,000	117,000	1.1	417,000	4.1
+105m Level Resource	Indicated	624,000	10,000	1.54	19,000	3.05
	Inferred	1,138,000	17,000	1.4	16,000	1.4
Total	Indicated	19,131,000	227,000	1.18	686,000	3.59
	Inferred	11,357,000	134,000	1.2	433,000	3.8
Grand total		30,488,000	361,000	1.2	1,119,000	3.7

Deep Sulphide Mineral Resource bottom cut-off = 4% Equivalent Zn (Zn Eq = Zn% + (Cu%*2)); +105m Level Mineral Resource bottom cut-off = 0.3% Cu. Mineral Resources stated at zero % cut-off. Tonnes are rounded to thousands, which may result in rounding errors.

¹ Mineral Resource reported in ASX release of 18 December 2018: "Landmark Resource Upgrade Sets Strong Foundation" available to the public on <http://www.orionminerals.com.au/investors/asx-jse-announcements/>. Competent Person Orion's exploration: Mr Errol Smart. Competent Person: Orion's Mineral Resource: Mr Sean Duggan. Orion confirms it is not aware of any new information or data that materially affects the information included above. For the Mineral Resources, the company confirms that all material assumptions and technical parameters underpinning the estimates in the ASX release of 18 December 2018 continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified.

² Mineral Resource reported in ASX release of 15 January 2019: "Prieska Total Resource Exceeds 30Mt @ 3.7% Zn and 1.2% Cu Following Updated Open Pit Resource" available to the public on <http://www.orionminerals.com.au/investors/asx-jse-announcements/>. Competent Person Orion's exploration: Mr Errol Smart. Competent Person: Orion's Mineral Resource: Mr Sean Duggan. Orion confirms it is not aware of any new information or data that materially affects the information included above. For the Mineral Resources, the company confirms that all material assumptions and technical parameters underpinning the estimates in the ASX release of 15 January 2019 continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified.

Ore Reserves

The Ore Reserve that follows is classified and reported in accordance with JORC Code, 2012. The Ore Reserve Estimate for the Prieska Project is as reported in the 2020 annual report. There are no material changes to the estimate.

The Deep Sulphide Probable Ore Reserve¹ estimate amounts to 14.0Mt grading 1.0% Cu and 3.2% Zn, including 146kt copper metal tonnes and 446kt zinc metal tonnes (Cu-Eq of 248kt metal tonnes at 1.8%) as tabulated below:

Prieska Project Deep Sulphide Ore Reserves (Effective Date: 20 April 2020) ³								
Deposit	Ore Reserve classification	Tonnage (Mt)	Cu		Zn		Cu equivalent ⁴	
			Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)
Deep Sulphide	Probable	14.0	146	1.0	446	3.2	248	1.8
Total	Probable	14.0	146	1.0	446	3.2	248	1.8

Deep Sulphide Ore Reserves calculated using financial assumptions and modifying factors stated in the study. Tonnes are rounded to thousands, which may result in rounding errors.

The +105 Level Probable Ore Reserve¹ is estimated at 480kt grading 1.5% Cu and 3.3% Zn, including 7kt copper metal tonnes and 16kt zinc metal tonnes, (Cu-Eq of 11kt metal tonnes at 2.3%).

Prieska Project +105 Level Ore Reserves (Effective Date: 15 June 2019) ⁵								
Deposit	Ore Reserve classification	Tonnage (Kt)	Cu		Zn		Cu equivalent ⁴	
			Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)
+105 Level	Probable	484	7	1.5	16	3.3	11	2.3
Total	Probable	484	7	1.5	16	3.3	11	2.3

+105m Level Ore Reserves calculated using financial assumptions and modifying factors stated in the study. Tonnes are rounded to thousands, which may result in rounding errors.

³ Ore Reserve reported in ASX/JSE release of 26 May 2020: "Prieska BFS – Long life, high margin project" available to the public on www.orionminerals.com.au/investors/asx-jse-announcements. Competent Person: Orion's Ore Reserve: Mr William Gillespie. Orion confirms it is not aware of any new information or data that materially affects the information included above. For the Ore Reserves, the Company confirms that all material assumptions and technical parameters underpinning the estimates in the ASX release of 26 May 2020 continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented here have not materially changed.

⁴ Method used to determine Cu equivalent Zn grades:

Underground Cu Equivalent Estimation

$$1\% \text{ Zn} = (\text{Zn price} \times \text{Zn NSR}) \times (\text{Zn plant recovery}) \\ = (2,337 \times 68.3\%) \times (81.6\%) = 0.23\% \text{ Cu}$$

$$(\text{Cu price} \times \text{Cu NSR}) \times (\text{Cu plant recovery}) \\ (6,680 \times 99.3\%) (85.5\%)$$

$$\text{Therefore Cu Equivalent grade} = \text{Cu grade} + \\ 0.23 \times \text{Zn grade.}$$

Open-pit Cu Equivalent Estimation

$$1\% \text{ Zn} = (\text{Zn price} \times \text{Zn NSR}) \times (\text{Zn plant recovery}) \\ = (2,337 \times 52.2\%) \times (75.8\%) = 0.17\% \text{ Cu}$$

$$(\text{Cu price} \times \text{Cu NSR}) \times (\text{Cu plant recovery}) \\ (6,680 \times 91.9\%) (61.7\%)$$

$$\text{Therefore Cu Equivalent grade} = \text{Cu grade} + \\ 0.17 \times \text{Zn grade.}$$

Combined Cu Equivalent Estimation

$$1\% \text{ Zn} = (\text{Zn price} \times \text{Zn NSR}) \times (\text{Zn plant recovery}) \\ = (2,337 \times 67.8\%) \times (81.4\%) = 0.23\% \text{ Cu}$$

$$(\text{Cu price} \times \text{Cu NSR}) \times (\text{Cu plant recovery}) \\ (6,680 \times 99.0\%) (84.3\%)$$

$$\text{Therefore Cu Equivalent grade} = \text{Cu grade} + \\ 0.23 \times \text{Zn grade.}$$

Metal prices assumptions based on S&P Global commodity long-term forecast (April 2020).

Plant recovery assumptions are based on metallurgical test work completed to date at Mintek Laboratories (South Africa) under the supervision of DRA. Refer to JORC Table 1 in the ASX/JSE releases 15 November 2017, 8 February 2018, 1 March 2018, 12 June 2018, 22 October 2018 and 31 October 2019.

⁵ Ore Reserve reported in ASX/JSE release of 26 June 2019: "Prieska BFS – Long life, high margin project" available to the public on www.orionminerals.com.au/investors/asx-jse-announcements. Competent Person: Orion's Ore Reserve: Mr William Gillespie. Orion confirms it is not aware of any new information or data that materially affects the information included above. For the Ore Reserves, the Company confirms that all material assumptions and technical parameters underpinning the estimates in the ASX release of 26 June 2019 continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented here have not materially changed.

Ore Reserves and Mineral Resource Statement continued

Prieska Project Ore Reserves Estimate (Effective Date: 20 April 2020) ³								
Deposit	Ore Reserve classification	Tonnage (Mt)	Cu		Zn		Cu equivalent ²	
			Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)	Metal tonnes (Kt)	Grade (%)
+105 Level	Probable	0.5	7	1.5	16	3.3	11	2.3
Deep Sulphide	Probable	14.0	146	1.0	446	3.2	248	1.8
Total	Probable	14.5	153	1.1	462	3.2	259	1.8

Project Ore Reserves calculated using financial assumptions and modifying factors stated in the study. Tonnes are rounded to thousands, which may result in rounding errors.

Mineral Resource and Ore Reserve Annual Comparison for the Prieska Project

Prieska Project Mineral Resource and Ore Reserve Annual Comparison

Prieska Project		Financial year	July 2019 – June 2020			July 2021 – June 2022			Refer ASX release
Tenement	Mineral Resource	Classification	Tonnage (Mt)	Cu (Kt)	Zn (%)	Tonnage (Mt)	Cu (Kt)	Zn (%)	
PCZM and Vardocube	Deep Sulphide	Probable Ore Reserve	14.0	1.0	3.2	No material change			26 May 2020
		Indicated Mineral Resource	18.5	1.2	3.6	No material change			18 Dec 2019
		Inferred Mineral Resource	10.2	1.1	4.1	No material change			9 Apr 2018 18 Dec 2018
	+105m Level	Probable Ore Reserve	0.5	1.5	3.3	No material change			26 Jun 2019 8 Feb 2018
		Indicated Mineral Resource	0.6	1.5	3.1	No material change			15 Jan 2019
		Inferred Mineral Resource	1.1	1.4	1.4	No material change			8 Feb 2018 15 Jan 2019
	Mineral Resources are inclusive of Ore Reserves								
	Totals	Probable Ore Reserve	14.5	1.1	3.2	No material change			26 May 2020
		Indicated Mineral Resource	19.1	1.2	3.6	No material change			15 Jan 2019
Inferred Mineral Resource		11.3	1.2	3.8	No material change			8 Feb 2018 15 Jan 2019	

The Mineral Resources are inclusive of Ore Reserves.

COMPETENT PERSONS' STATEMENTS – PRIESKA PROJECT

The information in this report that relates to Exploration Results is not in contravention of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Errol Smart, Orion's Managing Director. Mr Smart (PrSciNat) is registered with the South African Council for Natural Scientific Professionals, a Recognised Overseas Professional Organisation (RPO) for JORC purposes and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Smart consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is not in contravention of the JORC Code and has been compiled and assessed under the supervision of Mr Sean Duggan, a Director and Principal Analyst at Z Star Mineral Resource Consultants Proprietary Limited. Mr Duggan (PrSciNat) is registered with the South African Council for Natural Scientific Professionals (Registration No. 400035/01), a RPO for JORC purposes and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a

Competent Person as defined in the 2012 Edition of the JORC Code. Mr Duggan consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Ore Reserves is based on mining-related information incorporated under the supervision of Mr William Gillespie, a Competent Person who is a fellow of the Institute of Materials, Minerals and Mining (IMMM), a Recognised Overseas Professional Organisation, (RPO). Mr Gillespie takes overall responsibility for the Ore Reserve aspects of the release as Competent Person. Mr Gillespie is an employee of A & B Global Mining Consultants Proprietary Limited which contracts to Orion. Mr Gillespie has sufficient experience that is relevant to the type of mining and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Gillespie consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the metallurgy and processing plant information incorporated under supervision of Mr John Edwards, a Competent Person, who is a Fellow of the South African Institute of Mining and Metallurgy (SAIMM), a RPO. Mr Edwards is an employee of METC Engineering Limited, which provides consulting services to Orion. Mr Edwards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the 2012 Edition of the JORC Code. Mr Edwards consents to the inclusion of the report of the matters based on his information in the form and context in which it appears.

JACOMYNSPAN PROJECT MINERAL RESOURCES

The Mineral Resource Estimate for the Jacomynspan Prospect in the Namaqua-Disawell Project is as reported in the 2018 annual report. There are no material changes to the estimate.

A maiden Mineral Resource Estimate, based on drilling data from 1971 to 2012, reported at a 0.4% Ni cut-off grade gives 6.8Mt @ 0.57% Ni, 0.33% Cu, 0.03% Co, 0.19g/t Pt, 0.12g/t Pd and 0.087g/t Au at a 0.4% Ni cut-off (refer ASX/JSE release 8 March 2018). The Mineral Resources for the Jacomynspan Project were previously reported (refer to ASX release 14 July 2016) in accordance with the SAMREC Code (2007) as a "qualifying foreign resource estimate" as defined in the ASX Listing Rules.

The Mineral Resources have subsequently been reassessed by the MSA Group Proprietary Limited on behalf of the Company and reported in compliance with the JORC Code, 2012⁶.

Mineral Resource

Mineral Resource Grade-Tonnage Table for the Jacomynspan Project at a 0.40% Ni cut-off grade

Classification	Cut-off %Ni	Volume (m ³)	Tonnes	Ni		Cu		Co		Pt		Pd		Au	
				Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)
Indicated	0.4	584,000	1,780,000	0.55	10,000	0.29	5,000	0.03	1,000	0.17	10,000	0.11	6,000	0.07	4,000
Inferred	0.4	1,647,000	5,056,000	0.58	29,000	0.35	18,000	0.03	1,000	0.19	31,000	0.13	21,000	0.07	11,000

Indicated Mineral Resource for the Jacomynspan Project at various Ni cut-off grades

Cut-off %Ni	Volume (m ³)	Tonnes	Ni		Cu		Co		Pt		Pd		Au	
			Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)
0.20	11,252,000	33,000,000	0.26	86,000	0.18	58,000	0.02	6,000	0.10	101,000	0.05	53,000	0.04	44,000
0.25	4,205,000	12,393,000	0.32	40,000	0.20	25,000	0.02	3,000	0.11	45,000	0.06	25,000	0.05	19,000
0.30	1,501,000	4,461,000	0.42	19,000	0.24	11,000	0.02	1,000	0.14	20,000	0.08	12,000	0.05	8,000
0.40	584,000	1,780,000	0.55	10,000	0.29	5,000	0.03	1,000	0.17	10,000	0.11	6,000	0.07	4,000
0.50	284,000	872,000	0.66	6,000	0.37	3,000	0.04	300	0.16	5,000	0.11	3,000	0.07	2,000

Note: Mineral Resource stated at 0.4% cut-off.

⁶ Mineral Resource for Jacomynspan reported in ASX/JSE release of 8 March 2018: "Modelling confirms targets surrounding Jacomynspan Intrusive" available to the public on <http://www.orionminerals.com.au/investors/asx-jse-announcements/>. Competent Person Mineral Resource: Mr Jeremy Witley. Orion confirms it is not aware of any new information or data that materially affects the information included above. The Company confirms that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Ore Reserves and Mineral Resource Statement continued

Inferred Mineral Resource for the Jacomynspan Project at various Ni cut-off grades

Cut-off %Ni	Volume (m³)	Tonnes	Ni		Cu		Co		Pt		Pd		Au	
			Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)	Grade (%)	Metal (tonnes)
0.20	11,022,000	32,304,000	0.29	94,000	0.20	63,000	0.02	6,000	0.10	108,000	0.06	60,000	0.04	44,000
0.25	3,974,000	11,863,000	0.42	49,000	0.26	31,000	0.02	2,000	0.15	55,000	0.09	34,000	0.05	20,000
0.30	2,303,000	7,008,000	0.52	36,000	0.31	22,000	0.02	2,000	0.19	42,000	0.12	27,000	0.06	14,000
0.40	1,647,000	5,056,000	0.58	29,000	0.35	18,000	0.03	1,000	0.19	31,000	0.13	21,000	0.07	11,000
0.50	982,000	3,041,000	0.67	20,000	0.41	13,000	0.03	1,000	0.17	16,000	0.12	11,000	0.07	7,000

Note: Mineral Resource stated at 0.4% Ni cut-off.

Mineral Resource Annual Comparison for the Jacomynspan Prospect

Namaqua-Disawell Project Mineral Resource and Ore Reserve Annual Comparison

Jacomynspan Project 2022		Financial year		July 2017 – June 2018						July 2021 – June 2022			Refer ASX release
Tenement	Mineral Resource	Classification	Tonnage (Mt)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Tonnage (Mt)	Ni (%)	Cu (%)		
Namaqua-Disawell	Jacomynspan	Indicated Mineral Resource	1.78	0.6	0.3	0.03	0.2	0.1	No material change			8 Mar 2018	
		Inferred Mineral Resource	5.06	0.6	0.4	0.03	0.2	0.1	No material change			8 Mar 2018	
		Indicated Mineral Resource	1.78	0.6	0.3	0.03	0.2	2.6	No material change			8 Mar 2018	
		Inferred Mineral Resource	5.06	0.6	0.4	0.03	0.2	3.8	No material change			8 Mar 2018	

Competent Person's Statement – Jacomynspan Project

The information in this report that relates to the Mineral Resource at the Jacomynspan Project is based on information compiled by Mr Jeremy Charles Witley (BSc Hons, MSC (Eng.)), a Competent Person who is registered with the South African Council for Natural Scientific Professionals (Registration No. 400181/05), a RPO, included in a list posted on the ASX website from time to time. Mr Witley is a Principal Resource Consultant at the MSA Group Proprietary Limited and a consultant to Orion.

Mr Witley has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Witley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

New Okiep Mining Project Mineral Resource

Maiden Mineral Resource Estimates were reported in FY2021 for the New Okiep Mining Project. The Mineral Resource Estimates are classified and reported in terms of the JORC Code, 2012 guidelines. Flat Mine North (FMN), Flat Mine South (FMS) and Flat Mine East (FME) Mineral Resources were released on 10 February 2021; with Jan Coetzee, Flat Mine Nababeep and Nababeep Kloof Mineral Resources announced on 29 March 2021. The estimates are tabulated below with a combined total.

Okiep Project Maiden Mineral Resource Estimates

Total Mineral Resource Estimate for the Flat Mines Area of the Okiep Project (0.7% Cu cut-off) ⁷									
Effective Date: 29 March 2021									
Mine/Prospect	Measured			Indicated			Inferred		
	Mt	% Cu	† Cu	Mt	% Cu	† Cu	Mt	% Cu	† Cu
Flat Mine East	3.166	1.43	45,000	0.80	1.11	8,900	–	–	–
Flat Mine North	0.339	1.27	4,300	0.97	1.50	14,600	–	–	–
Flat Mine South	–	–	–	3.32	1.41	45,600	0.4	0.8	3,000
Flat Mine (Nababeep)	–	–	–	–	–	–	1.0	1.4	15,000
Jan Coetzee Mine	–	–	–	–	–	–	1.0	1.4	14,000
Nababeep Kloof Mine	–	–	–	–	–	–	0.5	1.2	6,000
Total	3.505	1.41	49,300	5.00	1.38	69,000	3.0	1.3	38,000

Mineral Resource Annual Comparison for the Okiep Prospect

Okiep Copper Project Mineral Resource and Ore Reserve Annual Comparison

Okiep Project		Financial year		July 2020 – June 2021			July 2021 – June 2022			Refer ASX release	
Tenement	Mineral Resource	Classification	Tonnage (Mt)	Cu (%)	Cu (Kt)	Tonnage (Mt)	Cu (%)	Cu (Kt)			
Okiep Copper Project	Flat Mine East	Measured Mineral Resource	3.17	1.43	45.3	No material change			10 Feb 2021		
		Indicated Mineral Resource	0.80	1.11	8.9	No material change			10 Feb 2021		
	Flat Mine North	Measured Mineral Resource	0.34	1.27	4.3	No material change			10 Feb 2021		
		Indicated Mineral Resource	0.97	1.50	14.6	No material change			10 Feb 2021		
	Flat Mine South	Indicated Mineral Resource	3.32	1.41	45.6	No material change			10 Feb 2021		
		Inferred Mineral Resource	0.4	0.8	3.0	No material change			10 Feb 2021		
	Flat Mine (Nababeep)	Inferred Mineral Resource	1.0	1.4	15.0	No material change			29 Mar 2021		
	Jan Coetzee Mine	Inferred Mineral Resource	1.0	1.4	14.0	No material change			29 Mar 2021		
	Nababeep Kloof Mine	Inferred Mineral Resource	0.5	1.2	6.0	No material change			29 Mar 2021		
	Mineral Resources are inclusive of Ore Reserves										
	Totals	Measured Mineral Resource	3.51	1.41	49.3	No material change			10 Feb 2021 29 Mar 2021		
		Indicated Mineral Resource	5.00	1.38	69.0	No material change			10 Feb 2021 29 Mar 2021		
		Inferred Mineral Resource	3.0	1.3	38.0	No material change			10 Feb 2021 29 Mar 2021		

Competent Person's Statement – New Okiep Mining Project

The information in this report that relates to Orion's Mineral Resource for Jan Coetzee, Flat Mine Nababeep and Nababeep Kloof mines at the Okiep Copper Project complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Dr Deon Vermaakt. Dr Vermaakt (PrSciNat) is registered with the South African Council for Natural Scientific Professionals (Registration No. 400020/00), an RPO for JORC purposes. Dr Vermaakt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Vermaakt consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Orion's Mineral Resource for FMN, FMS and FME complies with the latest Edition of the JORC Code and has been compiled and assessed under the supervision of Dr Dion Brandt, Concession Creek Consulting CC. Dr Brandt (PrSciNat) is registered with the South African Council for Natural Scientific Professionals (Registration No. 400024/12), an RPO for JORC purposes. Dr Brandt has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Brandt consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

⁷ Mineral Resource for Nababeep, Jan Coetzee and Nababeep Kloof mines reported in ASX/JSE release of 29 March 2021: "Additional Mineral Resource Estimate for the Okiep Copper Prospect, Flat Mines" available to the public on <http://www.orionminerals.com.au/investors/asx-jse-announcements/>. Competent Person Mineral Resource: Dr Deon Vermaakt. Orion confirms it is not aware of any new information or data that materially affects the information included above. The Company confirms that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Mineral Resource for FMN, FMS and FME reported in ASX/JSE release of 10 February 2021: "Orion reports maiden JORC Mineral Resource for the Okiep Copper Complex, Flat Mines" available to the public on <http://www.orionminerals.com.au/investors/asx-jse-announcements/>. Competent Person Mineral Resource: Dr Dion Brandt. Orion confirms it is not aware of any new information or data that materially affects the information included above. The Company confirms that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Orion confirms that the form and context in which the Competent Person's findings are presented have not been materially modified.

Corporate

The Company recorded a loss of \$15.53 million for the year ended 30 June 2022. The result is driven primarily by exploration expenditure incurred of \$10.91 million which, under Orion's deferred exploration, evaluation and development policy, did not qualify to be capitalised and was expensed finance income of \$3.04 million principally related to interest receivable on the Company's investment in preference shares, issued to the Company (through its subsidiary Agama Exploration & Mining (Pty) Ltd) by Prieska Resources Pty (Ltd) (**Prieska Resources**), to partly fund the acquisition by Prieska Resources of a 20% interest in the Company's subsidiary, PCZM.

Net cash used in operating activities and investing activities totalled \$17.98 million and included payments for exploration and evaluation of \$13.21 million. Orion continues to focus strongly on the development of its Prieska Project, Okiep Copper Project and exploration and development within its Areachap Belt projects in South Africa.

Cash on hand as at 30 June 2022 was \$4.29 million.

Following year-end, in July 2022, Orion received \$0.5 million in cash, from receipt of funds from investors for Tranche 1 commitments of the capital raising, announced by Orion in June 2022. In August 2022, Orion also received \$2.9 million in cash, from receipt of funds from Tranche 2 of capital raising, following receipt of shareholder approval, at a general meeting of Orion shareholders. In addition, in August 2022, Orion received \$1.35 million in cash, from receipt of funds from a share purchase plan (SPP).

TRIPLE FLAG US\$87 MILLION FUNDING PACKAGE

In May 2022, Orion took a pivotal step towards the development of its flagship Prieska Project in South Africa's Northern Cape Province after signing non-binding term sheets with TF R&S Canada Ltd. and Triple Flag International Ltd. (together **Triple Flag**), for a US\$87 million secured funding package.

Non-binding term sheets have been signed with Triple Flag and are now being advanced under exclusivity to definitive agreements (expected in Q4 CY2022), with the funding package planned to underpin the Early Production Scenario for the Prieska Project announced in January (refer ASX/JSE release 20 January 2022). This includes a plan to bring forward production from the open pit while dewatering the underground mine in preparation for long-term operations.

The contemplated funding package comprises two components, being a precious metal stream (**Precious Metal Stream**) and additional early funding (**Funding Arrangement**).

The Precious Metal Stream comprises US\$80 million (~\$110 million) of funding to be drawn down in tranches, alongside other bank and/or third-party funding during mine development. Orion will also receive payments of 10% of the value of delivered payable precious metal paid at spot LME pricing at the time of delivery.

The proposed stream rates for gold and silver to be delivered under the stream agreement are 84% of "Payable Gold" until 94.3k ounces of gold are delivered under the stream agreement, and 84% of "Payable Silver" until 5,710k ounces of silver are delivered, with each stream rate reducing to 50% after the respective milestones.

Orion and Triple Flag have also entered into a term sheet for an additional \$10 million Funding Arrangement, with such funding to be made available to Orion to complete the current early mining Feasibility Study (refer ASX/JSE release 20 January 2022) and to commence dewatering of the mine.

In addition to the completion of due diligence and entering into a definitive agreement, the Funding Arrangement drawdown will be conditional on Orion securing an additional \$20 million funding to execute the agreed work focused on early dewatering. The additional \$20 million may be secured as equity or other funding arrangement satisfactory to Triple Flag.

Under each of the Precious Metal Stream and Funding Arrangement, PCZM and other obligors will agree to grant a first ranking security in favour of Triple Flag over certain assets and claims, with the security in respect of the Precious Metal Stream to be subordinated to Prieska Project financiers.

The term sheets are non-binding other than in respect of confidentiality, exclusivity until 31 January 2023 and transaction costs (amount payable to Triple Flag capped at US\$0.5 million).

A summary of the material terms of the Precious Metal Stream and Funding Arrangement are provided in Appendices 1 and 2 of the 9 May 2022 ASX/JSE release.

CAPITAL RAISING

On 22 June 2022, the Company announced a capital raising to raise up to \$20 million at 2.0 cents per Share, to underpin the next phase of development of its portfolio of advanced base metal assets in South Africa's Northern Cape Province.

Given the significant volatility experienced in global financial markets since the time the capital raising was announced, the raising is being undertaken in three tranches with first commitments received for the first two tranches (~\$6 million). Discussions with potential participants in Tranche 3 are continuing.

The three tranches of the placement are summarised below:

- Tranche 1: in June 2022 and July 2022, the Company issued a total of 156 million Shares at an issue price of 2.0 cents (being ZAR22 cents) to raise \$3.1 million (together with one free attaching unlisted option for each two Shares issued, with an exercise price of 2.5 cents (being ZAR27.5 cents) and an expiry date of 30 June 2023 (**Options**)), using the Company's 15% placement capacity under ASX Listing Rule 7.1 (**Placement One**);
- Tranche 2: the Company raised \$2.9 million through the issue of 145 million Shares at an issue price of 2.0 cents (being ZAR22 cents) per Share (together with one free attaching Option for each two Shares issued on the terms set out below), including \$2 million from Orion non-executive Director Tom Borman and \$0.2 million from Orion's Chairman Denis Waddell (**Placement Two**); and
- Tranche 3: the Company may issue up to an additional 699 million Shares at an issue price of 2.0 cents (being ZAR22 cents) per Share to raise up to \$14 million (shareholder approval received at a general meeting held on 18 August 2022) (**Placement Three**). There are no Options attaching to any Shares that comprise Placement Three. Orion reserves the right to accept oversubscriptions.

In addition to the capital raising and working closely with Triple Flag, the Company is also continuing to progress discussions with banks, leading development financing agencies, and other financing institutions, in relation to funding the development of PCZM. Importantly, very positive progress has also recently been made towards a funding package with a leading development financing agency following an extended period of due diligence and negotiations.

The successful completion of the capital raising, together with other funding sources, will put the Company in a strong position to progress towards development of its key near-term production assets in the second half of 2022, helping to realise its vision of becoming a fully-integrated producer of future-facing metals in South Africa's Northern Cape Province.

Share Purchase Plan

In addition to the capital raising announced on 22 June 2022, Orion also announced a share purchase plan (**SPP**) providing shareholders an opportunity to increase their shareholding in the Company at the same offer price as the Shares issued under the capital raising (refer above).

Under the SPP, Eligible Shareholders could subscribe for new Shares in parcels starting from \$2,000 (or ZAR20,000), up to a maximum of \$30,000 (approximately ZAR330,000), at an issue price of 2.0 cents (ZAR22 cents) per Share, without incurring brokerage or transaction costs.

The SPP opened on 28 June 2022 and closed on 12 August 2022 and on 22 August 2022, the Company issued 67.3 million Shares under the SPP at an issue price of 2.0 cents per Share (ZAR22 cents), raising \$1.35 million.

The SPP attracted strong support from shareholders, particularly those in South Africa, which was a pleasing result given the volatility experienced in global financial markets and commodity prices during the SPP offer period.

SPECIALIST BATTERY PRODUCT REFINERY FACILITY – STRATEGA METALS AGREEMENT

Also in May 2022, Orion achieved a significant milestone in its strategy to create a fully-integrated base metal mining and processing business, producing high-value metals for the fast-growing battery materials sector, after entering into a term sheet that could see it acquire a cornerstone interest in a future base metal refining facility in the Northern Cape region of South Africa.

The term sheet contains binding exclusivity arrangements through which Stratega Metals (Pty) Ltd (**Stratega**) will undertake technical due diligence, including amenability test work, for the use of carbo-chloro metal vapour extraction technology (**CCMVT**) for base metal refining of polymetallic concentrates produced from Orion's Northern Cape projects (refer ASX/JSE release 9 May 2022).

During this 90-day exclusivity period, Orion is entitled to conduct amenability test work and due diligence, and during which Stratega and Orion may enter into a comprehensive earn-in agreement under which Orion may earn a 75% ownership in Stratega, by funding the establishment of a bespoke test work facility and demonstration plant, to be located at Orion's PCZM site.

Stratega has secured licencing from TCM Research Ltd (**TCM Research**) to use TCM Research's proprietary CCMVT technology. The CCMVT refining process promises very attractive characteristics including:

- A dry process using no water;
- Low energy consumption amenable to renewable energy power supply;
- Near zero emissions – only minor non-toxic waste products;
- Small compact plant with very small footprint; and
- Production of metal products that trade at significant premiums to contained metal targeting the battery and specialist chemical industries.

Corporate continued

The CCMVT process is derived from the modification of well-established refining technology used at refineries such as Vale's Sudbury Refinery in Canada, Norilsk Nickel Refinery in Russia and Jinchuan Metals in China. The key reaction in CCMVT uses carbonyl (carbon monoxide), which is harvested from air and recycled within a sealed, pressurised reactor vessel and circuit then feeding to distillation vessels to recover separated refined carbonyl metal powders.

ANGLO AMERICAN SEFA MINING FUND – LOAN

In November 2015, PCZM (a 70% owned subsidiary of Orion) and Anglo American sefa Mining Fund (**AASMF**) entered into a ZAR14.25 million loan agreement for the further exploration and development of the Prieska Project (**Loan Facility**). Under the terms of the Loan Facility, on 1 August 2017, AASMF advanced ZAR14.25 million to PCZM. The key terms of the Loan Facility are:

- Loan amount: ZAR14.25 million (~\$1.27 million);
- Interest rate: Prime lending rate in South Africa; and
- Security: 29.17% of the shares held in PCZM by Agama Exploration and Mining (Pty) Ltd (a wholly owned subsidiary of Orion), have been pledged as security to AASMF for the performance by PCZM of its obligations in terms of the Loan Facility.

As at 30 June 2022, the balance of the Loan Facility was ZAR21.86 million (~\$1.96 million) (including capitalised interest). PCZM and AASMF are currently in negotiations to agree and settle a repayment plan in relation to the Loan Facility.

OKIEP COPPER PROJECT – KEY ACQUISITION DETAILS

In August 2021, Orion exercised its exclusive option to acquire a controlling interest in the majority of the properties comprising the OCP.

Orion and the management and shareholders of each of SAFTA, NCC and BCC (collectively, **Target Entities**) reached agreement with each other in relation to the manner in which the OCP Option would be restructured when implemented. This restructure principally related to Orion acquiring the assets and claims on loan account from each of the OCP Target Entities, rather than acquiring all of the issued shares in, and claims on loan account against, the Target Entities as had been previously contemplated in the OCP Option Agreement.

New Okiep Mining Co (in relation to SAFTA) and New Okiep Exploration Co (in relation to NCC and BCC) (each a Purchaser) will acquire all of the assets of SAFTA, NCC and BCC, respectively, comprising principally their

respective mineral rights (**Mineral Projects**), mineral data, rehabilitation guarantees, any specified contracts and any other assets identified by the Purchasers (collectively, **the Sale Assets**) (**Okiep Transaction**).

The aggregate purchase consideration payable by the Purchasers to the Target Entities and their shareholders (excluding the IDC) (**Selling Shareholders**) for the Sale Assets is ZAR76.5 million (~\$7.1 million) (**Purchase Consideration**), to be settled as to ZAR18.4 million in cash and ZAR58.1 million in Orion Shares (**Shares**) (**Orion Consideration Shares**). The issue price of the Orion Consideration Shares will be equal to the 30-day volume weighted average price of the Orion Consideration Shares traded on the ASX and the JSE in the period ending on the date that is the earlier of (i) the closing date of the applicable part of Okiep Transaction; and (ii) 30 days after the date on which the last of specified mineral right is granted in respect of the Target Entity that is the subject of that transaction.

In addition to the Purchase Consideration, the Selling Shareholders will be entitled to a conditional deferred payment (**Agterskot**). The Agterskot will be calculated on the basis of the number of tonnes of Mineral Resources published by Orion in relation to the Mineral Projects in compliance with the JORC Code, estimated with reference to the relevant cut-off grade, less the tonnes of the baseline JORC Code Mineral Resource (as set out in more detail in Appendix 1 of ASX/JSE release 2 August 2021).

Orion will, within a period of 12 months after the closing date of each Okiep Transaction, incur aggregate exploration expenditure of at least ZAR4.0 million (~\$0.37 million) in exploring the Mineral Projects for each Acquisition Target seeking to satisfy the Mineral Resource requirements on the basis of which the Agterskot will become payable to the shareholders of the Target Entities (excluding the IDC).

The Okiep Transaction agreements otherwise contains such undertakings, warranties and terms and conditions as would be standard and customary to include in transactions of this nature.

Refer to the Okiep Copper Project Section for further information in relation to the Okiep Project.

O'OKIEP COPPER COMPANY DATABASE – KEY ACQUISITION DETAILS

In August 2021, Orion also exercised a separate option (**Data Option**) to acquire mining and exploration records and extensive data held by the O'Okiep Copper Company (and its affiliates), giving Orion access to data covering 60+ years of mining history at the OCP.

The aggregate purchase price paid by Orion to the O'Okiep (Okiep) Copper Company Proprietary Limited, O'Okiep Australia Pty Ltd and N7 Transport CC during the financial year, for the mining and exploration data and premises following Orion's exercise of the Data Option (**Data Option Purchase Price**) was ZAR24.5 million. An amount of ZAR4 million paid in cash and an amount of ZAR20.5 million was settled by the issue of Orion Shares at an issue price of \$0.034 per Share. The Data Option Purchase Price payable in respect of the mining and exploration data was reduced by the option fee of ZAR1.0 million and adjusted to account for certain expenses, rates, taxes and levies incurred up to the date of registration of the transfer.

For key terms of the Data Option Purchase Price payable by Orion following the exercise of the option to acquire the O'Okiep Copper Company database, refer to Orion's ASX/JSE announcement, released on 15 February 2021.

JACOMYNSPAN SALE AGREEMENT

During the March 2022 Quarter, the Company reached an agreement to extend the final completion deadline date of a previously announced transaction to acquire the remaining vendor interests at its highly prospective **Jacomynspan Nickel-Copper-PGE Project**, located 65km north of its Prieska Copper-Zinc-Project in South Africa (**Jacomynspan Project**).

The Company and the other current shareholders in the Jacomynspan Project have extended the date by which the agreement must become unconditional from 30 April 2022 to 29 Sep 2022, with the extension providing additional time for the parties to discuss a potential expanded and revised transaction whereby additional prospective Southern African nickel projects may be combined with the Jacomynspan Project (refer ASX/JSE release 4 March 2022).



Financial Statements

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Directors' Report

Your directors submit their report for the year ended 30 June 2022.

BOARD OF DIRECTORS

Director	Designation	Qualifications, experience and expertise	Directorships of other listed companies	Other roles held during the year
Denis Waddell Appointed 27 February 2009	Non-executive Chairman	ACA, FAICD Mr Waddell is a Chartered Accountant with extensive experience in the management of exploration and mining companies. Mr Waddell founded Tanami Gold NL in 1994 and was involved with the Company as Managing Director and then Chairman and Non-Executive Director until 2012. Prior to founding Tanami Gold NL, Mr Waddell was the Finance Director of the Metana Minerals NL group. During the past 37 years, Mr Waddell has gained considerable experience in corporate finance and operations management of exploration and mining companies.	None	Member of the Audit Committee
Errol Smart Appointed 26 November 2012	Managing Director	BSc(Hons) Geology (University of Witwatersrand) NHD Economic Geology (Technikon Witwatersrand) (PrSciNat) Mr Smart is a geologist, registered with the South African Council of Natural Scientific Professionals, a Recognised Overseas Professional Organisation in terms of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC) purposes. Mr Smart has 30 years of industry experience across all aspects of exploration, mine development and operations with experience in precious and base metals. Mr Smart has held positions in AngloGold, Cluff Mining, Metallon Gold, Clarity Minerals, LionGold Corporation and African Stellar Holdings. Mr Smart's senior executive roles have been on several boards of companies listed on both the TSX and ASX and currently serves as a Director on the Board of the Mineral Council South Africa.	None	Chief Executive Officer Member of the Audit Committee
Thomas Borman Appointed 16 April 2019	Non-executive Director	BCom (Hons) (University of Pretoria) Mr Borman is a respected and highly experienced global mining executive who served more than 11 years working for the BHP Billiton Group in various senior managerial roles, including that of Chief Financial Officer of an Australian-listed mining company. He also held senior roles in strategy and business development, and served as the project manager for the merger integration transaction between BHP Limited and Billiton. After leaving BHP Billiton in 2006, Mr Borman joined Warrior Coal Investments (Proprietary) Limited, where he formed part of the executive team which established and consolidated the portfolio of assets which became the Optimum Group of companies. Optimum listed on the Johannesburg Stock Exchange in 2010 and was subsequently acquired by Glencore for R8.5 billion in March 2012.	None	---

Directors' Report (continued)

Director	Designation	Qualifications, experience and expertise	Directorships of other listed companies	Other roles held during the year
Godfrey Gomwe Appointed 16 April 2019	Non-executive Director	<p>Bachelor Accountancy (Hons) (University of Zimbabwe) Masters Business Leadership (University of South Africa) CA (Zimbabwe)</p> <p>Mr Gomwe has extensive experience as an executive in metals and mining industries. Mr Gomwe is the former Chief Executive Officer of Anglo American plc's Thermal Coal business, whose responsibilities included oversight over Anglo's Manganese interests in the joint venture with BHP.</p> <p>Previously Executive Director of Anglo American South Africa until August 2012, Mr Gomwe's Anglo American career included roles as Head of Group Business Development Africa, Finance Director and Chief Operating Officer of Anglo American South Africa and Chairman and Chief Executive of Anglo American Zimbabwe Limited. Mr Gomwe also served on a number of its Executive Committees and Operating Boards which included Kumba Iron Ore, Anglo American Platinum, Highveld Steel & Vanadium and Mondi South Africa, the latter two in the capacity of Chairman.</p>	<p>AECI limited</p> <p>Econet Wireless Zimbabwe Limited</p>	Chairman of the Audit Committee
Alexander Haller Appointed 27 February 2009	Non-executive Director	<p>BSc Economics</p> <p>Mr Haller is a principal of Zachary Asset Holdings. Previously, Mr Haller worked in the corporate finance division at JPMorgan Chase, advising on corporate mergers and acquisitions as well as financing in both the equity and debt capital markets.</p>	None	Member of the Audit Committee
Mark Palmer Appointed 31 January 2018	Non-executive Director	<p>BSc Mining Geology (Cardiff University)</p> <p>Mr Palmer has 14 years' experience working with entities in Australia, including 8 years with Dominion Mining. In 1994 Mr Palmer joined NM Rothschild & Sons Limited in the London mining project finance team assessing mines and projects globally. In 1997, Mr Palmer moved to the investment banking team at UBS to focus on global mergers and acquisitions, equity and debt financing in the mining sector. Mr Palmer ran the EMEA mining team at UBS for 8 years. Mr Palmer joined Tembo Capital as Investment Director in 2015.</p>	None	---

Directors' Report (continued)

COMPANY SECRETARY

The name and details of the Company Secretary in office during the financial year and until the date of this report is as follows:

Name	Experience and qualifications
Martin Bouwmeester Company Secretary (Appointed 1 April 2016)	Bachelor Business (Accounting) (La Trobe University) FCPA (Aust.) Mr Bouwmeester is highly experienced in exploration, mine development and operations and was Chief Financial Officer, Company Secretary and Business Development Manager of Perseverance Corporation Limited. Martin was a key member of the team that evaluated the sulphide mineralisation at the Fosterville Gold Mine; an initiative that led to the discovery and definition of more than 3M ounces of gold and the funding for the development of the mine and processing plant to exploit those resources. Martin also holds the position of Group Chief Financial Officer.

CORPORATE STRUCTURE

Orion Minerals Ltd (**Orion** or **Company**) is a company limited by shares that is incorporated and domiciled in Australia. The Company has prepared a consolidated financial report incorporating the entities that it controlled during the financial year, including those newly acquired (referred to as the **Group**).

NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was exploration, evaluation and development of base metal, gold and platinum-group element projects in South Africa (Areachap Belt and Okiep Copper Complex, Northern Cape). The Company also holds interests in the Fraser Range Nickel-Copper and Gold Project in Western Australia and the Walhalla Project in Victoria, Australia. There were no significant changes in the nature of the Group's principal activities during the year.

Corporate

Results of operations – the Group

The Group recorded a loss of \$15.53M (2021: \$2.64M) after tax for the year. The result is driven primarily by exploration expenditure incurred of \$10.91M which, under the Group's deferred exploration, evaluation and development policy, did not qualify to be capitalised and was expensed, a \$0.25M unrealised foreign exchange loss and finance income of \$3.04M principally related to interest receivable on the Company's investment in preference shares, issued to the Company (through its subsidiary Agama Exploration & Mining (Pty) Ltd (**Agama**)) by Prieska Resources Pty (Ltd) (**Prieska Resources**).

Net cash used in operating activities and investing activities totalled \$17.98M (2021: \$11.02M) and included payments for exploration and evaluation of \$13.21M (2021: \$6.76M). The Group continues to focus strongly on the development of its Prieska Copper-Zinc Project in South Africa's Areachap geological terrane, Northern Cape (**Prieska Project**), the Okiep Copper Project, also in the Northern Cape and exploration within its Areachap Projects, South Africa.

Net cash from financing activities totalled \$1.85M (2021: \$30.16M) and included proceeds from the issue of ordinary shares of \$2.63M (2021: \$34.02M).

Cash on hand at the end of the year was \$4.29M (2021: \$20.55M).

The basic loss per share for the Group for the year was 0.33 cents and diluted loss per share for the Group for the year was 0.33 cents (2021: loss per share 0.05 cents and diluted loss per share 0.05 cents). No dividend has been paid during or is recommended for the financial year ended 30 June 2022.

Directors' Report (continued)

Business Strategies

The Company will continue to focus on exploration, evaluation and development of base metal, gold and platinum-group element projects in South Africa (Northern Cape).

Risks to the Business

Risks to the business are rated on the basis of their potential impact on the Group as a whole after taking into account current mitigating actions. Investors should be aware that the below list is not an exhaustive list and that there are a number of other risks associated with an investment in the Company. The Group regularly reviews the possible impact of these risks and seeks to minimise their impact through its internal controls, risk management policy, and corporate governance. The following describes the principal risks and uncertainties that could materially impact the Group:

- **Capital** – Each of the Group's key exploration targets remain in the exploration and evaluation phase. Future exploration programs require substantial levels of expenditure to ensure that Group's tenements are held in good standing. The Group is currently reliant on the capital and debt markets to fund its ongoing operations and therefore any unforeseeable events in these markets may impact the Group's ability to finance its future exploration projects;
- **Sovereign risk** – The Group's exploration, evaluation and development activities are carried out in South Africa and Australia. As a result, the Group is subject to political, social, economic and other uncertainties including, but not limited to, changes in policies or the personnel administering them, foreign exchange restrictions, changes of law affecting foreign ownership, currency fluctuations, royalties and tax increases in that country. Other potential issues contributing to uncertainty such as repatriation of income, exploration licensing, environmental protection and government control over mineral properties should also be considered. Potential risk to the Group's activities may occur if there are changes to the political, legal and fiscal systems which might affect the ownership and operation of the Group's interests in South Africa. This may also include changes in exchange control systems, expropriation of mining rights, changes in government and in legislative and regulatory regimes.
- **Title risk** – The Group's key projects, being the Prieska Project and the Okiep Copper Project, as well as the Group's exploration projects, are located in the Northern Cape of South Africa. Interests in tenements in South Africa are governed by legislation and are evidenced by the granting of mining or prospecting rights. The Company also has an interest in several Australian exploration tenements. Interests in Australian tenements held by the Group are governed by Federal and State legislation and are evidenced by the granting of mining or exploration licences. These tenements are subject to periodic review and compliance, including the relinquishment of certain areas. As a result, there is no guarantee that these areas of interest will be renewed in the future or if there will be sufficient funds available to meet the attaching minimum expenditure commitments when they arise.
- **Title risk and Native Title** – It is also possible that in relation to the Australian tenements which the Group has an interest in or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Group to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.
- **Resources and Reserve estimates** – There are inherent uncertainties in estimating reserve and resource estimates as it requires significant subjective judgements and determinations based on the available geological, technical, and economic information. Estimates and assumptions that were previously valid may change significantly when new information or techniques become available and therefore may require restatement.
- **Rehabilitation** – The Group is required to close its operations and rehabilitate the lands that it disturbs during the exploration and operating phases in accordance with applicable mining and environmental laws and regulations. At the Prieska Project, a closure plan and estimate of closure and rehabilitation liabilities for prospecting activity has been prepared. These estimates of closure and rehabilitation liabilities are based on current knowledge and assumptions, however actual costs at the time of closure and rehabilitation may vary materially. In addition, adverse or deteriorating external economic conditions may bring forward closure and rehabilitation costs. The Group's intention is to conduct its exploration and operating activities to the highest level of environmental obligations, however there are certain risks inherent in the Group's activities which could subject the Group to future liabilities.

Directors' Report (continued)

Impact of COVID-19

On 11 March 2020, the World Health Organisation (**WHO**) declared the COVID-19 outbreak as a pandemic. The Company's operations, particularly in South Africa, have been impacted, whereby operations have continued under a COVID-19 safe environment during the reporting period.

Considering the volatile and uncertain global economic and investment outlook, in order to safeguard the health and safety of its members and the wider community, the Company undertook the following actions:

- Implemented work-from-home protocols (wherever possible) from March 2020. The Company continues to work closely with relevant authorities and key stakeholders to minimise risk and harm for all;
- Implemented strict COVID-19 risk identification, management and tracking protocols for all individuals at the company's South African offices and mine site (where physical presence was required), in alignment with government regulations;
- Monitoring and use of published guidelines from the Minerals Council of South Africa on the prevention of the spread of COVID-19. The Council's guidelines and support materials are generated from materials issued by the WHO and the National Institute for Communicable Diseases in South Africa.

The Company will continue to monitor and implement changes to operations, as per statutory regulations and recommendations, as announced by both the South African and Australian governments and the Minerals Council of South Africa.

SUBSEQUENT EVENTS AFTER THE BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years except for the matter referred to below:

- On 22 June 2022, the Company announced a capital raising to fund advancement of early production strategy at its South African base metals projects in the Northern Cape of South Africa.

The capital raising, which was conducted via a three-tranche placement to sophisticated and professional investors, pursuant to Section 708A of the Corporations Act 2001 (**Placement**), comprises up to 1,000M ordinary fully paid shares at an issue price of \$0.02 (being ZAR22 cents) per share and, in respect of the first two tranches, the issue of one free attaching option for every two shares issued (151M unlisted options at an exercise price of \$0.025 (being ZAR27.5 cents) and an expiry date of 30 June 2023) (**Options**).

On 13 July 2022, the Company issued 24,954,817 shares at an issue price of \$0.02 per share and 12,477,408 Options (**Placement One Securities**), following receipt of funds from investors for commitments pursuant to Placement One of the Placement. The issue of these Placement One Securities finalises Tranche 1 of the Placement.

On 23 August 2022, the Company issued 144,454,044 shares at an issue price of \$0.02 per share and 72,227,022 Options (**Placement Two Securities**), pursuant to Tranche Two of the Placement, including to Orion non-executive Director Tom Borman and Orion Chairman Denis Waddell.

- On 22 August 2022, 67,332,902 shares were issued at an issue price of \$0.02 per share under the share purchase plan (**SPP**) which closed on 12 August 2022. Eligible Shareholders could subscribe for new shares up to a maximum of \$30,000 (approximately ZAR330,000), without incurring brokerage or transaction costs. The SPP attracted strong support from shareholders, particularly those in South Africa, which was a pleasing result given the volatility experienced in global financial markets and commodity prices during the SPP offer period.

Directors' Report (continued)

- On 7 September 2022, the Company announced that it has entered into non-binding term sheets with the Industrial Development Corporation of South Africa Limited (**IDC**) and Lulamile Xate regarding the key principles of the funding and Historically Disadvantaged South African (HDSA) ownership participation arrangements for New Okiep Mining Company (**NOM**). Orion and the IDC anticipate finalising and executing the definitive agreements for the IDC share acquisition and pre-development funding arrangements by 30 September 2022, with the IDC funding to flow during October 2022, subject to fulfilment of conditions precedent standard for such arrangements.

The IDC funding of pre-development costs in the amount of ZAR34.58M will be advanced to NOM on the same terms as the pre-development funding amount of ZAR44.46M already advanced by Orion to NOM.

DIRECTORS' MEETINGS

The number of meetings attended by each director of the Company during the financial year was:

	Board meetings		Audit Committee meetings	
	Held and entitled to attend	Attended	Held and entitled to attend	Attended
Denis Waddell	24	24	2	2
Errol Smart	24	24	2	2
Thomas Borman	24	24	---	---
Godfrey Gomwe	24	23	2	2
Alexander Haller	24	20	2	2
Mark Palmer	24	22	---	---

DIRECTORS' INTERESTS

The relevant interest of each director in the ordinary shares, or options over such instruments issued by the Company, as notified by the directors to the Australian Securities Exchange in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary shares	Unlisted options over ordinary shares
Denis Waddell	125,714,746	29,000,000
Errol Smart	21,869,415	60,000,000
Thomas Borman	158,555,555	53,000,000
Godfrey Gomwe	1,000,000	3,000,000
Alexander Haller (i)	108,735,320	3,000,000
Mark Palmer	---	---

- (i) Mr Haller holds relevant interests as follows: Silja Investment Ltd 106,321,961 ordinary shares, Mr Haller 2,412,039 ordinary shares and Pershing Securities 1,320 ordinary shares.

SHARE OPTIONS

Options granted to directors and executives of the Company

During or since the end of the financial year, the Company did not grant any options for no consideration over unissued ordinary shares in the Company to key management personnel as part of their remuneration.

Directors' Report (continued)

Unissued shares under options and performance rights

At the date of this report unissued ordinary shares of the Company under option are:

Expiry Date	Exercise price	Number of ordinary shares
31 March 2023	\$0.05	4,900,000
31 March 2023	\$0.06	4,900,000
31 March 2023	\$0.07	4,900,000
30 June 2023	\$0.025	150,329,680
30 April 2024	\$0.04	30,500,000
30 April 2024	\$0.05	30,500,000
30 April 2024	\$0.06	30,500,000
17 June 2024	\$0.05	11,000,000
31 March 2025	\$0.028	26,833,333
31 March 2025	\$0.035	26,833,333
31 March 2025	\$0.04	26,833,334
Total		348,029,680

Shares issued to directors on exercise of options

There were no options exercised during the financial year by a director of the Company. There has been no options exercised by any director since the end of the financial year.

REMUNERATION REPORT - AUDITED

The Remuneration Report sets out remuneration information for Orion Minerals Ltd for the year ended 30 June 2022. The following were key management personnel (**KMP**) of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Key Management Personnel	Designation	Position held during the year
Denis Waddell	Chairman – Non-Executive	Chairman
Errol Smart	Director – Executive	Managing Director & Chief Executive Officer
Thomas Borman	Director – Non-Executive	Director
Godfrey Gomwe	Director – Non-Executive	Director
Alexander Haller	Director – Non-Executive	Director
Mark Palmer	Director – Non-Executive	Director
Walter Shamu	---	Chief Operating Officer
Martin Bouwmeester	---	Chief Financial Officer & Company Secretary
Louw van Schalkwyk	---	Executive: Exploration (South Africa)
Michelle Jenkins	---	Executive: Finance & Administration (South Africa)

Remuneration Policy

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the directors and executives of the Company and the Group, which comprise executives that report directly to the Managing Director and CEO of the Company and the Group.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

It is the Group's objective to provide maximum stakeholder benefit from the retention of a high quality Board and management by remunerating directors and executives fairly and appropriately with reference to relevant employment and market conditions. To assist in achieving the objective the Board links the nature and amount of executive directors' remuneration to the Group's financial and operational performance.

The expected outcome of the Group's remuneration structure is:

- Retention and motivation of directors and executives;
- Attraction of quality management to the Group; and
- Performance rewards to allow directors and executives to participate in the future success of the Group.

Remuneration may include base salary and fees, short term incentives, superannuation contributions and long term incentives. Any equity based remuneration for directors will only be made with the prior approval of shareholders at a general meeting. All base salary and fees, short term incentives, superannuation contributions granted to key management personnel during the year was fixed under service agreements between the Company and key management personnel and was not impacted by performance related measures. In relation to the payment of bonuses, options and other incentive payments, discretion is exercised by the Board, having regard to the overall performance of the Group and the performance of the individual during the period.

The Board of directors is responsible for determining and reviewing compensation arrangements for the executive and non-executive directors. The maximum remuneration of non-executive directors is the subject of shareholder resolution in accordance with the Company's Constitution, and the Corporations Act 2001 as applicable.

The total level of remuneration for the financial year for all non-executive directors of \$315,758 (\$438,758 excluding \$123,000 of consulting service fees provided by a director related entity (refer Note 24)) is maintained within the maximum limit of \$350,000 approved by shareholders. When setting fees and other compensation for non-executive directors, the Board may seek independent advice and apply Australian benchmarks. The Board may recommend additional remuneration to non-executive directors called upon to perform extra services or make special exertions on behalf of the Group.

There is no scheme to provide retirement benefits, other than statutory superannuation when applicable, to non-executive directors.

The Chairman will undertake an annual assessment of the performance of the individual directors and meet privately with each director to discuss this assessment. Basis for evaluation for assessing performance is by reference to Company charters and current best practice.

Consequences of performance on shareholders wealth

In considering the Group's performance and benefits for shareholders wealth, the Board of directors has regard to the following indices in respect of the current financial year and the previous five financial years.

	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
Net loss attributable to equity holders of the Company	\$(15,525)	\$(2,643)	\$(18,651)	\$(10,750)	\$(8,833)
Dividends paid	---	---	---	---	---
Actual share price	\$0.017	\$0.034	\$0.015	\$0.031	\$0.04
Directors and KMP remuneration	\$1,814	\$2,935	\$2,613	\$2,533	\$1,835

Long Term Incentive Based Remuneration

The Company has an option and performance rights based remuneration scheme for executives. In accordance with the provisions of the Orion Minerals Option and Performance Rights Plan, as approved by shareholders at a general meeting, executives may be granted options or performance rights to purchase ordinary shares. The number and terms of options or performance rights granted is at the absolute discretion of the Board, provided that the total number of options on issue under the scheme at the time of the grant does not exceed 5% of the number of ordinary shares on issue.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

No unlisted options were granted to employees during the year ended 30 June 2022 under the terms of the Orion Minerals Option and Performance Rights Plan.

Service contracts

Key terms of the existing service contracts for key management personnel are as follows:

Managing Director and Chief Executive Officer

Unlimited in term but capable of termination on 6 months' notice by the Company or 3 months' notice by Mr Smart. The Group retains the right to terminate the contract immediately, by making a payment of 6 months' remuneration in lieu of notice.

Chief Operating Officer

Unlimited in term but capable of termination on 6 months' notice by the Company or 3 months' notice by Mr Shamu. The Group retains the right to terminate the contract immediately, by making a payment of 6 months' remuneration in lieu of notice.

Chief Financial Officer and Company Secretary

Unlimited in term but capable of termination on 6 months' notice by the Company or 3 months' notice by Mr Bouwmeester. The Group retains the right to terminate the contract immediately, by making a payment of 6 months' remuneration in lieu of notice.

Executive: Finance & Administration (South Africa)

Unlimited in term but capable of termination on 6 months' notice by the Company or 3 months' notice by Ms Jenkins. The Group retains the right to terminate the contract immediately, by making a payment of 6 months' remuneration in lieu of notice.

Certain key management personnel are also entitled to receive on termination of employment, redundancy benefits.

The service contract outlines the components of compensation paid to the key management personnel but does not prescribe how compensation levels are modified year to year. Compensation levels are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the senior executive and any changes required to meet the principles of the compensation policy.

Directors

Total compensation for all non-executive directors, last voted upon by shareholders at the 2007 Annual General Meeting, is not to exceed \$350,000 per annum and is set based on advice from external advisors with reference to fees paid to other directors of comparable companies. The Chairman receives \$75,000 per annum. Non-executive directors do not receive performance related compensation. Directors' fees cover all main board activities and membership of one committee. Directors may be paid additional amounts for consulting services provided in addition to normal director duties. Such additional amounts are paid on commercial terms.

Remuneration report approval at the 2021 Annual General Meeting

The 30 June 2021 Remuneration Report received positive shareholder support at the Company's Annual General Meeting with a positive vote of 99% in favour.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

Directors and Executive Officers' Remuneration – 2022

Remuneration	Short term benefits			Post-employment benefit	Long-term benefits	Share-based payments (vii)		Total remuneration	% of remuneration in options
	Cash salary and fees	Cash bonus	Non-monetary	Superannuation	Long service leave	Equity settled shares	Equity settled options		
2022	\$	\$	\$	\$	\$	\$	\$	\$	%
Directors									
Errol Smart (i)	322,000	---	---	---	---	---	101,768	423,768	24
Non-executive Directors									
Denis Waddell (ii)	191,182	---	---	6,818	---	---	40,758	238,758	17
Thomas Borman	50,000	---	---	---	---	---	---	50,000	---
Godfrey Gomwe	50,000	---	---	---	---	---	---	50,000	---
Alexander Haller	50,000	---	---	---	---	---	---	50,000	---
Mark Palmer	50,000	---	---	---	---	---	---	50,000	---
Other Key Management Personnel									
Walter Shamu (iii)	309,756	---	---	---	---	---	4,994	314,750	2
Martin Bouwmeester (iv)	252,000	---	6,044	---	---	---	24,338	282,382	9
Louw van Schalkwyk (v)	52,701	---	---	---	---	---	3,995	56,696	7
Michelle Jenkins (vi)	294,000	---	---	---	---	---	3,995	297,995	1
Total	1,621,639	---	6,044	6,818	---	---	179,848	1,814,349	10

(i) Mr Smart also holds Directorship positions within Group subsidiary companies.

(ii) Mr Waddell's fixed component of remuneration is \$75,000 per annum, including superannuation. In addition to director fees, Mr Waddell received \$123,000 for consulting services provided to the Company (refer to Note 24 for related party disclosure).

(iii) Mr Shamu holds the position of Chief Operating Officer and is also a Director of certain Group subsidiary companies.

(iv) Mr Bouwmeester holds the position of Chief Financial Officer and Company Secretary.

(v) Mr van Schalkwyk held the position of Executive: Exploration (South Africa) during the financial year and until 31 August 2021. From 1 September 2021, Mr van Schalkwyk is a consultant geologist to the Group.

(vi) Ms Jenkins holds the position of Executive: Finance & Administration (South Africa) and is also a Director of certain Group subsidiary companies.

(vii) Share based payments represent the fair values of options estimated at the date of grant using both the Hull-White and Black Scholes option pricing models. These amounts are not paid in cash. Options that were not exercised and expired are written back to accumulated losses.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

Directors and Executive Officers' Remuneration – 2021

Remuneration	Short term benefits (vii)			Post-employment benefit	Long-term benefits	Share-based payments (viii)		Total remuneration	% of remuneration in options
	Cash salary and fees	Cash bonus	Non-monetary	Superannuation	Long service leave	Equity settled shares	Equity settled options		
2021	\$	\$	\$	\$	\$	\$	\$	\$	%
Directors									
Errol Smart (i)	311,267	70,875	70,875	---	---	---	242,015	695,032	35
Non-executive Directors									
Denis Waddell (ii)	274,576	---	---	5,424	---	---	76,616	356,616	21
Thomas Borman	33,333	---	---	---	---	---	7,204	40,537	18
Godfrey Gomwe	33,333	---	---	---	---	---	7,204	40,537	18
Alexander Haller	33,333	---	---	---	---	---	7,204	40,537	18
Mark Palmer	33,333	---	---	---	---	---	---	33,333	---
Other Key Management Personnel									
Walter Shamu (iii)	288,856	67,688	67,688	---	---	---	43,678	467,910	9
Martin Bouwmeester (iv)	235,000	56,400	61,487	---	---	---	54,072	406,959	13
Louw van Schalkwyk (v)	264,375	63,788	63,788	---	---	---	30,407	422,358	7
Michelle Jenkins (vi)	274,167	63,450	63,450	---	---	---	30,407	431,474	7
Total	1,781,573	322,201	327,288	5,424	---	---	498,807	2,935,293	17

- (i) Mr Smart also holds Directorship positions within Group subsidiary companies.
- (ii) Mr Waddell's fixed component of remuneration is \$75,000 per annum, received \$62,500 for reporting period. During the financial year, in addition to director fees, Mr Waddell received additional amounts for consulting services provided to the Company, amount \$217,500 (refer to Note 24 for related party disclosure).
- (iii) Mr Shamu holds the position of Chief Operating Officer and is also a Director of certain Group subsidiary companies.
- (iv) Mr Bouwmeester holds the position of Chief Financial Officer and Company Secretary.
- (v) Mr van Schalkwyk holds the position of Executive: Exploration (South Africa).
- (vi) Ms Jenkins holds the position of Executive: Finance & Administration (South Africa) and is also a Director of certain Group subsidiary companies.
- (vii) Short Term Incentives (**STI**) were achieved during the reporting period. Executives who received STIs were awarded up to 50% of their base remuneration, payable as 50% in cash and 50% via fully paid ordinary shares in Orion. The Shares were issued in March 2021 and April 2021 (Mr Smart, following receipt of shareholder approval). Key performance indicators (**KPI**) established for each executive are periodically reviewed by the Board, to ensure they are in line with current operations of the Company. For the STIs awarded, executives reached average of 94% of their KPIs. Future reporting period STIs may be awarded to a maximum of 50% of executive base remuneration.
- (viii) Share based payments represent the fair values of options estimated at the date of grant using both the Hull-White and Black Scholes option pricing models. These amounts are not paid in cash.

Options and Rights over equity instruments granted as compensation

As at the date of this report, there were 153,000,000 unissued ordinary shares under option issued to directors and executives (2021: 174,000,000 unissued ordinary shares under option).

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

Details on options over ordinary shares in the Company that were granted as compensation to each key management personnel during the reporting period and details on options that vested during the reporting period are as follows:

	Number of options granted during FY2022 ⁽ⁱ⁾	Grant date	Fair value per option at grant date	Exercise price per option (ii)	Expiry date	Number of options vested during FY2022
Directors						
		14 June 2019	\$0.02	\$0.06	30 April 2024	---
Denis Waddell	---	20 November 2020	\$0.02	\$0.028 \$0.035 \$0.04	31 March 2025	4,000,000
		14 June 2019	\$0.02	\$0.06	30 April 2024	---
Errol Smart	---	29 September 2020	\$0.02	\$0.028 \$0.035 \$0.04	31 March 2025	10,000,000
Alexander Haller	---	14 June 2019	\$0.02	\$0.06	30 April 2024	---
Thomas Borman	---	14 June 2019	\$0.02	\$0.06	30 April 2024	---
Godfrey Gomwe	---	14 June 2019	\$0.02	\$0.06	30 April 2024	---
Other Key Management Personnel						
	---	21 September 2018	\$0.02	\$0.07	31 March 2023	---
Walter Shamu	---	29 April 2019	\$0.02	\$0.06	30 April 2024	---
	---	26 March 2020	\$0.01	\$0.04	31 March 2025	2,500,000
	---	29 April 2019	\$0.02	\$0.06	30 April 2024	---
Martin Bouwmeester	---	26 March 2020	\$0.01	\$0.04	31 March 2025	2,000,000
	---	24 November 2020	\$0.02	\$0.028 \$0.035 \$0.04	31 March 2025	2,000,000
Louw van Schalkwyk	---	29 April 2019	\$0.02	\$0.06	30 April 2024	---
	---	26 March 2020	\$0.01	\$0.04	31 March 2025	2,000,000
Michelle Jenkins	---	29 April 2019	\$0.02	\$0.06	30 April 2024	---
	---	26 March 2020	\$0.01	\$0.04	31 March 2025	2,000,000

(i) The options were provided at no cost to the recipient. Each option gives the option holder the right to subscribe for one ordinary share in the capital of the Company upon exercise of the option in accordance with the attaching terms and conditions.

(ii) The options are exercisable between 1 and 5 years from grant date.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

Analysis of Options and Rights over equity instruments granted as compensation

Details of the vesting profile of the options granted as remuneration to each key management personnel of the Group as at the end of the reporting period are detailed below.

	Number	Grant Date	% vested in current year	% lapsed in current year (i)	Date option vests (ii)
Directors					
Denis Waddell	4,000,000	14 June 2019	---%	---%	14 June 2019
	4,000,000	14 June 2019	---%	---%	30 April 2020
	4,000,000	14 June 2019	---%	---%	30 April 2021
	4,000,000	1 December 2020	---%	---%	1 December 2020
	4,000,000	1 December 2020	---%	---%	31 March 2021
	4,000,000	1 December 2020	100%	---%	31 March 2022
Errol Smart	10,000,000	14 June 2019	---%	---%	14 June 2019
	10,000,000	14 June 2019	---%	---%	30 April 2020
	10,000,000	14 June 2019	---%	---%	30 April 2021
	10,000,000	30 September 2020	---%	---%	30 September 2020
	10,000,000	30 September 2020	---%	---%	31 March 2021
	10,000,000	30 September 2020	100%	---%	31 March 2022
Alexander Haller	1,000,000	14 June 2019	---%	---%	14 June 2019
	1,000,000	14 June 2019	---%	---%	30 April 2020
	1,000,000	14 June 2019	---%	---%	30 April 2021
Thomas Borman	1,000,000	14 June 2019	---%	---%	14 June 2019
	1,000,000	14 June 2019	---%	---%	30 April 2020
	1,000,000	14 June 2019	---%	---%	30 April 2021
Godfrey Gomwe	1,000,000	14 June 2019	---%	---%	14 June 2019
	1,000,000	14 June 2019	---%	---%	30 April 2020
	1,000,000	14 June 2019	---%	---%	30 April 2021
Other Key Management Personnel					
Walter Shamu	2,000,000	31 May 2017	---%	100%	31 May 2018
	2,000,000	31 May 2017	---%	100%	31 May 2019
	2,000,000	31 May 2017	---%	100%	31 May 2020
	1,000,000	21 Sept 2018	---%	---%	31 Mar 2019
	1,000,000	21 Sept 2018	---%	---%	31 Mar 2020
	1,000,000	21 Sept 2018	---%	---%	31 Mar 2021
	2,500,000	29 April 2019	---%	---%	30 April 2019
	2,500,000	29 April 2019	---%	---%	30 April 2020
	2,500,000	29 April 2019	---%	---%	30 April 2021
	2,500,000	26 March 2020	---%	---%	31 March 2020
	2,500,000	26 March 2020	---%	---%	31 March 2021
	2,500,000	26 March 2020	100%	---%	31 March 2022

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

	Number	Grant Date	% vested in current year	% lapsed in current year (i)	Date option vests (ii)
Martin Bouwmeester	2,000,000	29 April 2019	---%	---%	30 April 2019
	2,000,000	29 April 2019	---%	---%	30 April 2020
	2,000,000	29 April 2019	---%	---%	30 April 2021
	2,000,000	26 March 2020	---%	---%	31 March 2020
	2,000,000	26 March 2020	---%	---%	31 March 2021
	2,000,000	26 March 2020	100%	---%	31 March 2022
	2,000,000	1 December 2020	---%	---%	1 December 2020
	2,000,000	1 December 2020	---%	---%	31 March 2021
	2,000,000	1 December 2020	100%	---%	31 March 2022
Louw van Schalkwyk	2,000,000	31 May 2017	---%	100%	31 May 2018
	2,000,000	31 May 2017	---%	100%	31 May 2019
	2,000,000	31 May 2017	---%	100%	31 May 2020
	2,000,000	29 April 2019	---%	---%	30 April 2019
	2,000,000	29 April 2019	---%	---%	30 April 2020
	2,000,000	29 April 2019	---%	---%	30 April 2021
	2,000,000	26 March 2020	---%	---%	31 March 2020
	2,000,000	26 March 2020	---%	---%	31 March 2021
	2,000,000	26 March 2020	100%	---%	31 March 2022
Michelle Jenkins	2,000,000	31 May 2017	---%	100%	31 May 2018
	2,000,000	31 May 2017	---%	100%	31 May 2019
	2,000,000	31 May 2017	---%	100%	31 May 2020
	2,000,000	29 April 2019	---%	---%	30 April 2019
	2,000,000	29 April 2019	---%	---%	30 April 2020
	2,000,000	29 April 2019	---%	---%	30 April 2021
	2,000,000	26 March 2020	---%	---%	31 March 2020
	2,000,000	26 March 2020	---%	---%	31 March 2021
	2,000,000	26 March 2020	100%	---%	31 March 2022

- (i) The % lapsed in the year represents the reduction from the maximum number of options available to be exercised.
- (ii) The vesting conditions attached to each option granted require the key management personnel to remain in employment with the Company until the vesting date, unless the Board of directors elects to waive the expiry terms attached to the grant.

The Company issued certain options with immediate vesting conditions to Directors and key management personnel during the reporting period as deemed appropriate by the Board to retain professionals with relevant expertise and provide incentives to members during our period of growth.

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

Analysis of movements in options

Changes during the reporting period, by value, of options over ordinary shares in the Company held by each current key management person, and each of the named current Company executives is detailed below.

	Value of options		
	Granted in year \$	Exercised in year \$	Lapsed in year \$
Denis Waddell	---	---	---
Errol Smart (i)	---	---	---
Alexander Haller	---	---	---
Mark Palmer	---	---	---
Thomas Borman	---	---	---
Godfrey Gomwe	---	---	---
Walter Shamu	---	---	95,112
Martin Bouwmeester	---	---	---
Louw van Schalkwyk	---	---	95,112
Michelle Jenkins	---	---	95,112

Options and rights over equity instruments

The movement during the reporting period, by number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Balance at beginning of period 1-Jul-21	Granted as remuneration	Options exercised	Expired	Balance at end of period 30-June-22	Not vested and not exercisable	Vested and exercisable
Directors							
Denis Waddell	24,000,000	---	---	---	24,000,000	---	24,000,000
Errol Smart	60,000,000	---	---	---	60,000,000	---	60,000,000
Alexander Haller	3,000,000	---	---	---	3,000,000	---	3,000,000
Mark Palmer	---	---	---	---	---	---	---
Thomas Borman	3,000,000	---	---	---	3,000,000	---	3,000,000
Godfrey Gomwe	3,000,000	---	---	---	3,000,000	---	3,000,000
Other Key Management Personnel							
Walter Shamu	24,000,000	---	---	(6,000,000)	18,000,000	---	18,000,000
Martin Bouwmeester	18,000,000	---	---	---	18,000,000	---	18,000,000
Louw van Schalkwyk	18,000,000	---	---	(6,000,000)	12,000,000	---	12,000,000
Michelle Jenkins	18,000,000	---	---	(6,000,000)	12,000,000	---	12,000,000
Total	171,000,000	---	---	(18,000,000)	153,000,000	---	153,000,000

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

	Balance at beginning of period 1-Jul-20	Granted as remuneration	Options exercised	Expired	Balance at end of period 30-June-21	Not vested and not exercisable	Vested and exercisable
Directors							
Denis Waddell	24,000,000	12,000,000	(4,000,000)	(8,000,000)	24,000,000	4,000,000	20,000,000
Errol Smart	60,000,000	30,000,000	---	(30,000,000)	60,000,000	10,000,000	50,000,000
Alexander Haller	3,000,000	---	---	---	3,000,000	---	3,000,000
Mark Palmer	---	---	---	---	---	---	---
Thomas Borman	3,000,000	---	---	---	3,000,000	---	3,000,000
Godfrey Gomwe	3,000,000	---	---	---	3,000,000	---	3,000,000
Other Key Management Personnel							
Walter Shamu	24,000,000	---	---	---	24,000,000	2,500,000	21,500,000
Martin Bouwmeester	18,000,000	6,000,000	(2,000,000)	(4,000,000)	18,000,000	4,000,000	14,000,000
Louw van Schalkwyk	18,000,000	---	---	---	18,000,000	2,000,000	16,000,000
Michelle Jenkins	18,000,000	---	---	---	18,000,000	2,000,000	16,000,000
Total	171,000,000	48,000,000	(6,000,000)	(42,000,000)	171,000,000	24,500,000	146,500,000

Other transactions with key management personnel

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control, joint control or a relevant interest over the financial or operating policies of those entities.

A number of these entities transacted with the Group during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis (refer Note 24).

Movement in shares

The movement during the reporting period in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Balance at beginning of period 1-Jul-21	Purchased or acquired during the year	On options exercised	Disposals of shares	Other transfers of shares	Balance at end of period 30-Jun-22
Directors						
Denis Waddell	115,714,746	---	---	---	---	115,714,746
Errol Smart	21,869,415	---	---	---	---	21,869,415
Alexander Haller (i)	108,735,320	---	---	---	---	108,735,320
Mark Palmer	---	---	---	---	---	---
Thomas Borman	58,555,555	---	---	---	---	58,555,555
Godfrey Gomwe	1,000,000	---	---	---	---	1,000,000
Other Key Management Personnel						
Walter Shamu (ii)	7,166,041	---	---	---	---	7,166,041
Martin Bouwmeester (iii)	8,836,712	---	---	---	(2,172,222)	6,664,490
Louw van Schalkwyk	1,771,875	---	---	---	---	1,771,875
Michelle Jenkins (ii)	7,998,995	---	---	---	---	7,998,995
Total	331,648,659	---	---	---	(2,172,222)	329,476,437

Directors' Report (continued)

REMUNERATION REPORT - AUDITED (continued)

- (i) Mr Haller holds relevant interests as follows: Silja Investment Ltd 106,321,961 shares and Pershing Securities 1,320 shares. Mr Haller personally holds interests of 2,412,039 shares.
- (ii) Mr Shamu and Ms Jenkins hold relevant interests as follows: WMP Mining Services Inc 7,166,041 shares (held equally) and Ms Jenkins holds additional interests of 832,954 shares.
- (iii) Mr Bouwmeester held 4,344,443 shares in an entity not wholly owned by Mr Bouwmeester. The movement of 2,172,222 shares reflects the number of shares transferred to the joint holder, as part of the transfer of the 4,344,443 to the shareholders of the entity in which they were held and Mr Bouwmeester retained 2,172,221 shares from this joint holding, which are held in his nominated holding.

	Balance at beginning of period 1-Jul-20	Purchased or acquired during the year	On options exercised	Disposals of shares	Other transfers of shares	Balance at end of period 30-Jun-21
Directors						
Denis Waddell	111,714,746	---	4,000,000	---	---	115,714,746
Errol Smart	19,900,666	1,968,749	---	---	---	21,869,415
Alexander Haller (i)	78,735,320	---	---	(10,000,000)	40,000,000	108,735,320
Mark Palmer	---	---	---	---	---	---
Thomas Borman	3,000,000	55,555,555	---	---	---	58,555,555
Godfrey Gomwe	---	1,000,000	---	---	---	1,000,000
Other Key Management Personnel						
Walter Shamu (ii)	2,083,333	5,082,708	---	---	---	7,166,041
Martin Bouwmeester	5,566,871	1,566,666	2,000,000	(296,825)	---	8,836,712
Louw van Schalkwyk	---	1,771,875	---	---	---	1,771,875
Michelle Jenkins (ii)	2,916,287	5,082,708	---	---	---	7,998,995
Total	223,917,223	72,028,261	6,000,000	(10,296,825)	40,000,000	331,648,659

- (i) Mr Haller holds relevant interests as follows: Silja Investment Ltd 106,321,961 shares and Pershing Securities 1,320 shares. Silja Investment Ltd undertook a restructure resulting it acquiring 40,000,000 shares in off-market transactions from a number of family members. Mr Haller personally holds interests of 2,412,039 shares.
- (ii) Mr Shamu and Ms Jenkins hold relevant interests as follows: WMP Mining Services Inc 7,166,041 shares (held equally) and Ms Jenkins holds additional interests of 832,954 shares.

Engagement of remuneration consultants

The Board of Directors from time to time, seek and consider advice from independent remuneration consultants to ensure that the Company has at its disposal information relevant to the determination of all aspect of remuneration relating to key management personnel.

The Board follows a set of protocols when engaging remuneration consultants to satisfy themselves, that the remuneration consultants engaged are free from any undue influence by the members of the key management personnel to whom advice and recommendations relate and that the requirements of the Corporations Act 2001 are complied with. The set of protocols followed by the Board include:

- Remuneration consultants are engaged by and report directly to the Board; and
- Communication between remuneration consultants and the Company is limited to those KMPs whose remuneration is not under consideration.

No remuneration consultants were engaged during the year.

This is the end of the remuneration report which has been audited.

Directors' Report (continued)

ENVIRONMENTAL REGULATIONS

The Group is required to close its operations and rehabilitate the lands that it disturbs during the exploration and operating phases in accordance with applicable mining and environmental laws and regulations. Where necessary, provision for rehabilitation liabilities is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the reporting date.

As part of the Group's environmental policy exploration and access sites are regenerated to match or exceed government expectations. Based on the results of enquires made, the board is not aware of any significant breaches during the period covered by this report.

DIVIDENDS

There were no dividends paid or declared during the financial year (2021: \$nil).

INDEMNIFICATION OF DIRECTORS, OFFICERS AND AUDITORS

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company and all office bearers of the Company and of any body corporate against any liability incurred whilst acting in the capacity of director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. Orion Minerals Ltd, to the extent permitted by law, indemnifies each director or secretary against any liability incurred in the service of the Group provided such liability does not arise out of conduct involving a lack of good faith and for costs incurred in defending proceedings in which judgement is given in favour of the person in which the person is acquitted. The Company has not provided any insurance or indemnity for the auditor of the Company.

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

NON-AUDIT SERVICES

BDO, the Company's auditor, has not performed other non-audit services in addition to their statutory duties during the year ended 30 June 2022.

The Directors are satisfied that the provision of non-audit services during the previous financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in Note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Directors' Report (continued)

GROUP AUDITOR

BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 75 and forms part of the Directors' Report for the financial year ended 30 June 2022.

CORPORATE GOVERNANCE

The Board of directors recognises the recommendations of the Australian Securities Exchange Corporate Governance Council for Corporate Governance Principles and Recommendations and considers that the Company substantially complies with those guidelines, which are of critical importance to the commercial operation of a junior listed resources company. The Company's Corporate Governance statement and disclosures can be viewed on our website, www.orionminerals.com.au.

This report is made in accordance with a resolution of the directors.



Denis Waddell
Chairman

Melbourne, Victoria

Date: 27 September 2022



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Australia

DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF ORION MINERALS LIMITED

As lead auditor of Orion Minerals Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Orion Minerals Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Mooney', is written over a light blue horizontal line.

James Mooney
Director

BDO Audit Pty Ltd

Melbourne, 27 September 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2022

CONTINUING OPERATIONS	Notes	2022 \$'000	2021 \$'000
Other income	3	58	46
Exploration and evaluation costs expensed	11	(10,907)	(3,883)
Employee expenses		(1,352)	(1,989)
Other operational expenses	3	(2,986)	(3,568)
Results from operating activities		(15,187)	(9,394)
Non-operating income / (expenses)	3	(3,086)	5,122
Finance income		3,036	2,468
Finance expense		(288)	(839)
Net finance expenses		2,748	1,629
Loss before income tax		(15,525)	(2,643)
Income tax expense	18	---	---
Loss from continuing operations attributable to equity holders of the Group		(15,525)	(2,643)
Items that may be reclassified subsequently to profit or loss			
Other comprehensive income			
Foreign currency reserve		246	(393)
Total Other comprehensive income for the year		246	(393)
Total comprehensive loss for the year		(15,279)	(3,036)
Loss for the year is attributed to:			
Non-controlling interest	23	(1,238)	(885)
Owners of Orion Minerals Ltd		(14,287)	(1,758)
		(15,525)	(2,643)
Total comprehensive loss for the year is attributable to:			
Non-controlling interest	23	(1,238)	(885)
Owners of Orion Minerals Ltd		(14,401)	(2,151)
		(15,279)	(3,036)
LOSS PER SHARE (CENTS PER SHARE)			
Basic loss per share	19	(0.33)	(0.05)
Diluted loss per share	19	(0.33)	(0.05)
Headline loss per share	19	(0.33)	(0.05)
Diluted headline loss per share	19	(0.33)	(0.05)

The notes on pages 80 to 115 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

AS AT 30 JUNE 2022

ASSETS	Notes	2022 \$'000	2021 \$'000
Current assets			
Cash and cash equivalents	4	4,288	20,553
Trade and other receivables	5	394	368
Rehabilitation bonds	6	348	349
Prepayments		428	84
Total current assets		5,458	21,354
Non-current assets			
Trade and other receivables	5	93	93
Rehabilitation bonds	6	2,684	2,359
Right of use asset	7	1,897	2,018
Loans to related parties	8	4,743	4,227
Investment in preference shares	9	24,602	22,648
Plant and equipment	10	386	103
Deferred exploration, evaluation and development	11	49,773	45,158
Total non-current assets		84,178	76,606
Total assets		89,636	97,960
LIABILITIES	Notes	2022 \$'000	2021 \$'000
Current liabilities			
Trade and other payables	12	2,522	963
Provisions	13	189	177
Loans	14	1,959	1,888
Leases		1	---
Total current liabilities		4,671	3,028
Non-current liabilities			
Provisions	13	1,953	1,823
Leases	7	2,115	2,106
Total non-current liabilities		4,068	3,929
Total liabilities		8,739	6,957
NET ASSETS		80,897	91,003
EQUITY	Notes	2022 \$'000	2021 \$'000
Equity attributable to equity holders of the Company			
Issued capital	16	189,755	184,999
Accumulated losses		(127,481)	(113,924)
Share based payments reserve	16	3,606	3,919
Foreign currency translation reserve		(24)	(270)
Other reserve	17	19,956	19,956
Non-controlling interest - subsidiaries	23	(4,915)	(3,677)
Total equity		80,897	91,003

The notes on pages 80 to 115 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Payment for exploration and evaluation		(8,873)	(4,973)
Payments to suppliers and employees		(4,307)	(4,291)
Interest received		129	67
Interest paid		(98)	(235)
Other receipts		129	306
Net cash used in operating activities	4	(13,020)	(9,126)
Cash flows from investing activities			
Purchase of plant and equipment		(341)	(74)
Payments for exploration and evaluation		(4,339)	(1,788)
Term deposit funds (invested)/released		(372)	(35)
Proceeds from sale of property, plant and equipment		11	5
Dividends received		86	---
Net cash used in investing activities		(4,955)	(1,892)
Cash flows from financing activities			
Proceeds from issue of shares		2,625	34,015
Share issue expenses		(100)	(1,230)
Borrowings provided to joint venture operations		(678)	(611)
Payment of lease liabilities		---	(18)
Repayment of borrowings		---	(2,000)
Net cash from financing activities		1,847	30,156
Net increase/(decrease) in cash and cash equivalents		(16,128)	19,138
Cash and cash equivalents at the beginning of the financial year		20,553	1,222
Effects of exchange rate on cash at end of financial year		(137)	193
CASH ON HAND AND AT BANK AT END OF YEAR	4	4,288	20,553

The notes on pages 80 to 115 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022							
	Issued capital	Accumulated losses	Non-controlling interest	Foreign currency translation reserve	Other reserve	Share based payments reserve	Total equity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 July 2021	184,999	(113,924)	(3,677)	(270)	19,956	3,919	91,003
Loss for the period	---	(14,287)	(1,238)	---	---	---	(15,525)
Other comprehensive loss	---	---	---	246	---	---	246
Total comprehensive loss for the period	---	(14,287)	(1,238)	246	---	---	(15,279)
Transactions with owners in their capacity as owners:							
Contributions of equity, net costs	4,756	---	---	---	---	---	4,756
Transfer of share options expired	---	730	---	---	---	(730)	---
Share-based payments expense	---	---	---	---	---	417	417
Transactions between owners	---	---	---	---	---	---	---
Total transactions with owners	4,756	730	---	---	---	(313)	5,173
Balance at 30 June 2022	189,755	(127,481)	(4,915)	(24)	19,956	3,606	80,897

30 June 2021							
	Issued capital	Accumulated losses	Non-controlling interest	Foreign currency translation reserve	Other reserve	Share based payments reserve	Total equity
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Balance at 1 July 2020	146,648	(112,727)	(2,552)	123	19,956	3,384	54,832
Loss for the period	---	(1,758)	(885)	---	---	---	(2,644)
Other comprehensive loss	---	---	---	(393)	---	---	(393)
Total comprehensive loss for the period	---	(1,758)	(885)	(393)	---	---	(3,036)
Transactions with owners in their capacity as owners:							
Contributions of equity, net costs	38,351	---	---	---	---	---	38,351
Transfer of share options expired	---	562	---	---	---	(562)	---
Share-based payments expense	---	---	---	---	---	1,096	1,096
Transactions between owners	---	---	(240)	---	---	---	(240)
Total transactions with owners	38,351	562	(240)	---	---	534	39,207
Balance at 30 June 2021	184,999	(113,924)	(3,677)	(270)	19,956	3,919	91,003

The notes on pages 80 to 115 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

1 CORPORATE INFORMATION

Orion Minerals Limited (**Company**) is a company domiciled in Australia. The address of the Company's registered office is Level 21, 55 Collins Street, Melbourne, Victoria, 3000. The consolidated financial statements as at and for the year ended 30 June 2022 comprised the Company and its subsidiaries, (together referred to as the **Group**). The Group is a for-profit group and is primarily involved in copper, zinc, nickel, gold and platinum group elements (**PGE**) exploration, evaluation and development.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

(i) Statement of compliance

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (**IFRSs**) adopted by the International Accounting Standards Board (**IASB**). The consolidated financial statements were authorised for issue by the Board of directors on 27 September 2022.

(ii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except where otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and across the Group, except as required by the new accounting standards and interpretations adopted as disclosed in Note 2(b).

(iii) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group recorded a net loss of \$15.53M for the year ended 30 June 2022 and the Group's position as at 30 June 2022 was as follows:

- The Group had cash reserves of \$4.29M and had negative operating cash flows of \$14.9M for the year ended 30 June 2022;
- The Group had positive working capital at 30 June 2022 of \$0.79M; and
- The Group's main activity is exploration, evaluation and development of base metal, gold and PGE projects in South Africa (Northern Cape) and as such it does not have a source of income, rather it is reliant on debt and / or equity raisings to fund its activities.

These factors indicate a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Following year end, in:

- July 2022, Orion received \$0.5M in cash, from receipt of funds from investors for Tranche 1 commitments of the capital raising, announced by Orion on 22 June 2022;
- August 2022, Orion received \$2.9M in cash, from receipt of funds from Tranche 2 of capital raising, following receipt of shareholder approval, at the general meeting of Orion shareholders held on 18 August 2022; and
- August 2022, Orion received \$1.35M in cash, from receipt of funds from a share purchase plan which closed on 12 August 2022 and attracted strong support from shareholders, particularly those in South Africa.

Current forecasts indicate that cash on hand as at 30 June 2022 will not be sufficient to fund planned exploration and operational activities during the next twelve months and to maintain the Group's tenements in good standing.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- Based on the updated high-margin Prieska Copper-Zinc Project (**Prieska Project**) bankable feasibility study (**BFS-20**) released May 2020, with an initial 12 year Foundation Phase (refer ASX / JSE release 26 May 2020), the positive results delivered by the value engineering, optimisation works and pre-development undertaken since the completion of the BFS-20, the continuation of a partnering process which contemplates the introduction of a strategic project-level equity partner/ investor in the Prieska Project;
- In May 2022, Orion took a pivotal step towards the development of the Prieska Project after signing non-binding term sheets with Triple Flag, for a US\$87M secured funding package. Non-binding term sheets have been signed with Triple Flag and are now being advanced under exclusivity to definitive agreements, with the funding package planned to underpin the Early Production Scenario for the Prieska Project announced in January (refer ASX/JSE release 20 January 2022);
- In September 2022, the Company and the IDC signed non-binding term sheets for funding of the Okiep Copper Project pre-development costs. The IDC has agreed to fund 43.75% of these costs and will be a key strategic partner in the project;
- Ongoing negotiations with Anglo American sefa Fund (**AASMF**) in relation to the loan agreement for the further exploration and development of the Prieska Project. In 2015, the Company's subsidiary, Prieska Copper Zinc Mine (Pty) Ltd (**PCZM**) and AASMF entered into a loan agreement, which under the terms of the loan, AASMF advanced ZAR14.25M to PCZM in August 2017. PCZM and AASMF are currently in negotiations to agree and settle a repayment plan in relation to the loan. Refer to Note 8 for the key terms of the loan; and
- The Company's ability to successfully raise capital in the past, the Directors are confident of obtaining the continued support of the Company's shareholders and a number of brokers that have supported the Company's previous capital raisings.

In addition to the capital raising and working closely with Triple Flag, the Company is also continuing to progress discussions with banks, leading development financing agencies, and other financing institutions, in relation to funding the development of the Prieska Project. Importantly, very positive progress has also recently been made towards a funding package with a leading development financing agency following an extended period of due diligence and negotiations.

Accordingly, the financial statements for the year ended 30 June 2022 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its operating costs and exploration expenditure commitments and pay its debts as and when they fall due for at least twelve months from the date of this report.

However, the Directors recognise that if sufficient additional funding is not raised from the issue of capital or through alternative funding sources, there is a material uncertainty as to whether the going concern basis is appropriate with the result that the Group may relinquish title to certain tenements and may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

(b) New accounting standards and interpretations

(i) New accounting standards

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the Group:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 2020-1 & AASB 2020-6 - Amendments to AASB 101: Classification of Liabilities as Current or Non-current

In January 2020, the AASB issued amendments to paragraphs 69 to 76 of AASB 101 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Property, Plant and Equipment: Proceeds before intended Use – Amendments to AASB 116

In June 2020, the AASB issued Property, Plant and Equipment — Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

The amendments are not expected to have a material impact on the Group.

Definition of Accounting Estimates - Amendments to AASB 108

In March 2021, the AASB issued amendments to AASB 108, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments are not expected to have a material impact on the Group.

Disclosure of Accounting Policies - Amendments to AASB 101 and AASB Practice Statement 2

In March 2021, the AASB issued amendments to AASB 101 and AASB Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to AASB 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Orion Minerals Limited (**Parent Company**) from time to time during the year and at 30 June 2022 and the results of its controlled entities for the year then ended. The effects of all transactions between entities in the economic entity are eliminated in full.

The financial statements of the subsidiary are prepared for the same reporting period as the parent entity, using consistent accounting policies.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the Statement of Profit or Loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(d) Foreign currency translation

The functional and presentation currency of the Company and its Australian subsidiaries is Australian Dollars. For comparative purposes, the consolidated financial statements may make reference to South African Rand (**ZAR**). Transactions in foreign currencies are translated to the respective functional currency of the Group at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in the Statement of Profit or Loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

(e) Investment and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through the Statement of Profit or Loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off to profit or loss.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through the Statement of Profit or Loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in the Statement of Profit or Loss.

(ii) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through the Statement of Profit or Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss.

(iv) Impairment

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in the Statement of Profit or Loss.

(f) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of the net assets of the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Statement of Financial Position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Statement of Financial Position.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight line basis using estimated remaining useful life of the asset. The estimated useful lives for the current and comparative period are as follows:

Plant and equipment - over 3 to 15 years. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Impairment

(i) Non-financial assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to dispose and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to dispose and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 - 60 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(j) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Funds placed on deposit with financial institutions to secure performance bonds are classified as non-current other receivables and not included in cash and cash equivalents.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Borrowings and finance costs

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to the Statement of Profit or Loss.

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(n) Employee benefits

(i) Share based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined using both the Hull-White and Black Scholes models. Further details are given in Note 28.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (**Vesting Date**).

The cumulative expense recognised for equity-settled transactions at each reporting date until Vesting Date reflects (i) the extent to which the vesting period has surpassed and (ii) the number of awards that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Employee benefits

Annual leave liabilities are measured at the amounts expected to be paid when the liabilities are settled. Long service leave liabilities are measured at the present value of the estimated future cash outflows for the services provided by employees up to the reporting date.

Liabilities not expected to be settled within twelve months are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity that match, as closely as possible to the related liability.

(o) Revenue

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

(i) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(p) Income tax

(i) Tax consolidation

The Company and its wholly-owned Australian resident entity are part of a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity from that date. The head entity within the tax-consolidated group is Orion Minerals Ltd.

(q) Other taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (**GST**) or value added tax (**VAT**) except where the GST or VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST or VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables are stated with the amount of GST or VAT included. The net amount of GST or VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST or VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(r) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Group is accumulated separately for each area of interest. Each area of interest is limited to a size related to a known or probable mineral resource capable of supporting a mining operation.

Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure which can be directly attributed to operational activities in the area of interest, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred. For each area of interest, the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration activities in the area of interest have not, at balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Exploration and evaluation assets include:

- acquisition of rights to explore;
- topographical, geological and geophysical studies;
- exploration drilling, trenching and sampling; and
- activities in relation to evaluating the technical feasibility and commercial viability of extracting the mineral resources.

General and administrative costs are not recognised as an exploration and evaluation asset. These costs are expensed as incurred. Exploration and evaluation assets are classified as tangible or intangible according to the nature of the assets. As the assets are not yet ready for use, they are not depreciated or amortised (for intangible assets).

Assets that are classified as tangible assets include:

- piping and pumps;
- tanks; and
- exploration vehicles and drilling equipment.

Assets that are classified as intangible assets include:

- drilling rights;
- acquired rights to explore;
- exploratory drilling costs; and
- trenching and sampling costs.

Exploration expenditure which no longer satisfies the above policy is written off. In addition, a provision is raised against exploration expenditure where the directors are of the opinion that the carried forward net cost may not be recoverable under the above policy.

When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off in the year in which the decision to abandon is made, firstly against any existing provision for that expenditure, with any remaining balance being charged to the Statement of Profit or Loss. Expenditure is not carried forward in respect of any area of interest/mineral resource unless the economic entity's rights of tenure to that area of interest are current. Amortisation is not charged on areas under development, pending commencement of production.

Exploration and evaluation assets are assessed for impairment if:

- the term of exploration license in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and a decision has been made to discontinue such activities in the specified area; or
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit shall not be larger than the area of interest. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they are not expected to be recoverable in the future.

(s) Rehabilitation provision

The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group recognises a provision for rehabilitation based on independent environmental experts' reports for anticipated future rehabilitation costs. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

(t) Critical accounting judgements and key sources of estimation uncertainty

In the application of AASB's management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

Judgments made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements and include:

- Note 7 – Leases
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances
- Note 11 - Deferred exploration, evaluation and development
Exploration and evaluation costs have been capitalised on the basis that exploration, mine development early works and BFS optimisation works are ongoing and that the Group may commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest.
- Note 13 - Provisions
A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Group's exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Note 16 - Measurement of share based payments
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Hull-White model (from 1 July 2020) and Black Scholes model (prior to 1 July 2020), taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.
- Note 20 – Incremental Borrowing Rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(u) Earnings per share

The Group presents basic and diluted earnings per share (**EPS**) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding which have been issued for no consideration in relation to the dilutive potential ordinary shares, which comprise share options granted to employees, contract personnel, shareholders and corporate entities engaged by the Group, that are expected to be exercised.

(v) Segment reporting

(i) Determination and presentation of operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Group's Managing Director and Chief Executive Officer (Chief Operating Decision Maker of the Group) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director and Chief Executive Officer include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities.

(w) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects. Dividends on ordinary shares are recognised as a liability in the period in which they are declared.

(x) Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Share-based payment transactions

The fair value of the employee share options and the share appreciation rights is measured using the Hull-White formula (previously Black-Scholes formula). Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

(i) Right of Use Assets:

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(ii) Lease Liabilities:

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(z) Rounding of amounts

The Company is of a kind referred to in the Corporations Instrument 2016/191, issued by the Australian Securities and Investment Commission, relation to 'rounding off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars or in certain cases, to the nearest dollar.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

3 REVENUES AND EXPENSES

Other income	2022 \$'000	2021 \$000
Services rendered to associate companies	50	46
Costs recovered from associate companies	8	---
Total other income	58	46
Other operational expenses	2022 \$'000	2021 \$'000
Contractor, consultants and advisory	1,589	2,463
Due diligence expenditure	28	---
Investor and public relations	364	240
Communications and information technology	117	107
Depreciation	145	95
Loss on disposal of plant and equipment	---	2
Occupancy	64	59
Travel and accommodation	170	76
Directors' fees and employment	398	411
Other corporate and administrative	111	115
Total other operational expenses	2,986	3,568
Non-operating income and expenses	2022 \$'000	2021 \$'000
Net foreign exchange (gain)/loss	2,766	(5,917)
Government grants	---	(61)
Dividend Income	(86)	---
Non-operating other Income	(11)	---
Liquidation of subsidiary	---	(240)
Share based payments	417	1,096
Total non-operating (income)/ expenses	3,086	(5,122)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

4 CASH AND CASH EQUIVALENTS

	2022 \$'000	2021 \$'000
Cash and cash equivalents	4,270	16,754
Short term deposits	18	3,799
	4,288	20,553
Reconciliation	2022 \$'000	2021 \$'000
Net loss	(15,525)	(2,643)
<i>Adjustment for:</i>		
Depreciation	145	95
(Gain)/loss on disposal of property, plant & equipment	(11)	2
Dividends received	(86)	---
Share base payments expense	417	1,096
Liquidation of subsidiary	---	(240)
Okiep acquisition consideration	(84)	84
Data acquisition consideration	1,860	---
Short term incentives – share issued	---	503
Other items written off	---	(1)
(Gain)/loss on foreign exchange	2,766	(5,917)
Finance income	(3,036)	(2,468)
Finance expense	288	839
Interest received	129	67
Interest paid	(98)	(235)
<i>Changes in assets and liabilities:</i>		
Decrease in trade and other payables	399	(116)
Decrease/(increase) other current assets	(386)	(222)
(Decrease)/increase in provisions	202	30
Net cash used in operating activities	(13,020)	(9,126)

5 TRADE AND OTHER RECEIVABLES

	2022 \$'000	2021 \$'000
Current receivables:		
Security deposits (a)	24	20
Taxes receivable	312	304
Other receivables	58	44
	394	368
Non-current receivables:		
Security deposits (a)	3	3
Deposits	90	90
	93	93

Other receivables are non-interest bearing and are generally on 30-day terms.

- (a) Security deposits comprise cash placed on deposit to secure bank guarantees in respect of obligations entered into for office rental obligations in South Africa and Australia. These deposits are not available to finance the Group's day to day operations.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

6 REHABILITATION BONDS

	2022 \$'000	2021 \$'000
Current		
Rehabilitation bonds	348	349
Non-current		
Rehabilitation bonds	2,684	2,359
Total	3,032	2,708

Rehabilitation bonds are cash placed on deposit to secure bank guarantees in respect of obligations entered into for environmental performance bonds issued in favour of the relevant government body for projects located in South Africa and Victoria (Australia).

The Group also has environmental obligations for various projects in South Africa, including the Prieska Project. The Group has engaged the services of Centriq Insurance Company Ltd (**Centriq**), a company established to meet the financial provisioning requirements of Mining Rights in South Africa. Funds held by Centriq relate to premium paid to Centriq and represent collateral held by Centriq against guarantees that have been issued. Funds held by Centriq on behalf of the Group are refundable to the Group when the guarantees expire. The bond can be applied by the government body for rehabilitation works should the Group fail to meet regulatory standards for environmental rehabilitation.

7 LEASES AND RIGHT OF USE ASSET

	2022 \$'000	2021 \$'000
Right of use asset – Vehicles		
Opening cost	53	53
Accumulated depreciation	(53)	(40)
Opening carrying amount	---	13
Depreciation expense for the year	---	(13)
Closing carrying amount	---	---

	2022 \$'000	2021 \$'000
Right of use asset – Land and buildings		
Opening cost	2,114	37
Accumulated depreciation	(96)	(34)
Opening carrying amount	2,018	3
Additions (a)	38	2,077
Effect of movement in exchange rate	(71)	(3)
Depreciation expense for the year (b)	(88)	(59)
Closing carrying amount	1,897	2,018

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

7 LEASES AND RIGHT OF USE ASSET (continued)

	2022 \$'000	2021 \$'000
Lease liability reconciliation		
Opening cost	2,106	17
New lease	38	2,077
Interest	146	86
Repayments	(97)	(80)
Effect of movement in exchange rate	(78)	6
Closing balance	2,115	2,106

(a) Request Trust lease – Period ending 30 June 2021

On 15 October 2020, the Company's subsidiary, Prieska Copper Zinc Mine (Pty) Ltd (**PCZM**) agreed with Request Trust to amend and extend the lease agreement entered into between the parties, relating to properties owned by the Request Trust and located within PCZM (and/or any other company in the Orion Group) mining rights, in South Africa's Northern Cape Province.

The lease agreement's term is for the duration of the mining rights held by PCZM (and/or any other company in the Orion Group) in respect of the properties, or until PCZM terminates its activities on the properties, whichever comes first. The lease agreement has been determined to terminate on the same date as the mining right, being December 2043.

Under the terms of the lease agreement, payments will increase by 7% annually and future cash payments relating to the lease liability are shown in Note 20.

The Group recognised a lease liability and right of use asset in 2021, in accordance with IFRS 16 Leases, for ZAR22.40M (~\$2.08M), being the present value of unavoidable future lease payments payable under the terms of the lease agreement, using the prime interest rate in South Africa on date of recognition(7%).

(b) Depreciation

Depreciation for the right of use asset of ZAR975k (~88k) (2021: ZAR638k (~\$59k)) and interest on the lease liability of ZAR1.61M (~\$146k) (2021: ZAR982k (~\$86k)) is included in the Consolidated Statement of Profit or Loss.

8 LOANS TO RELATED PARTIES

	2022 \$'000	2021 \$'000
Non-current		
Loan to Prieska Resources – principal	1,367	1,418
Loan to joint venture partners	3,376	2,809
Total	4,743	4,227

Prieska Resources

The Black Economic Empowerment (**BEE**) restructure implemented in September 2019 involved the acquisition by Prieska Resources Pty (Ltd) (**Prieska Resources**) of a 20% interest in the Company's subsidiary, Prieska Copper Zinc Mine (Pty) Ltd (**PCZM**), for a purchase consideration of ZAR142.78M (~\$14.45M). To fund the acquisition, the Company has provided vendor financing comprised of two components, being a loan and preference shares (refer Note 9).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

8 LOAN TO RELATED PARTIES (continued)

A secured loan (repayable 12 months from closing date of securing Prieska Project financing) with principal totalling ZAR15.29M arose as a result of PCZM delegating a portion of a loan which was owed to the Company by Prieska Resources, in exchange for which PCZM issues ordinary shares to Prieska Resources. The terms of the loan initially included that interest is payable by Prieska Resources at the publicly quoted prime overdraft rate. Subsequently, the terms of the loan have been amended such that:

- All accrued interest up to 30 June 2021 that has been waived by the Company; and
- from 1 July 2021 until the financial closing date of securing Prieska Project financing, the Loan shall be interest free, subsequent to which date the Loan shall bear interest at prime.

Joint Venture Partners

In September 2017, the Company entered into a binding earn-in agreement to acquire the earn-in rights over the Jacomynspan Nickel-Copper-PGE Project (South Africa) (**Jacomynspan Project**) from two companies, Namaqua Nickel Mining (Pty) Ltd and Disawell (Pty) Ltd (**Namaqua Disawell Companies**), which hold partly overlapping prospecting rights and mining right applications.

During the reporting period, the Group continued to advance exploration programs on the Jacomynspan Project, expending an additional \$0.63M (excludes effect of foreign exchange rate movement on balance). This expenditure, under the terms of the agreement, is held in the shareholder loan account and Area Metals Holdings 3 (Orion subsidiary) (**AMH3**) reached the next stage earn-in right (prior reporting period), which will see its shareholding increase by a further 25% interest (making its total interest 50% (Orion 37%)).

On 13 July 2020, the Company announced that it has entered into an agreement whereby Orion (or its nominated subsidiary) will acquire the remaining minority interests in the Jacomynspan Project held by the Namaqua Disawell Companies. The key terms of the Agreement are set out in Orion's 13 July 2020 ASX / JSE release. On 31 August 2020, the parties entered into a comprehensive formal written agreement incorporating the principal terms and conditions set out in the initial agreement (**Agreement**). The Agreement is subject to the satisfaction or waiver of specified suspensive conditions. While certain suspensive conditions have been fulfilled, the Agreement remains subject to the satisfaction or waiver of certain remaining suspensive conditions of the Agreement, including that, on or before 27 February 2022, all regulatory approvals as may be required for the purposes of implementing the transaction have been received. The Company and the other current shareholders in the Jacomynspan Project have reached agreement to extend the date by which the Agreement must become unconditional from 27 February 2022 to 30 September 2022, with the extension providing additional time for the parties to discuss a potential expanded and revised transaction whereby additional prospective Southern African nickel projects will be combined with the Jacomynspan Project.

9 INVESTMENT – PREFERENCE SHARES

	2022 \$'000	2021 \$'000
Non-current		
Prieska Resources preference shares – principal	17,878	18,545
Prieska Resources preference shares – interest receivable	6,724	4,103
Total	24,602	22,648

To fund the acquisition by Prieska Resources of a 20% interest in the Company's subsidiary, PCZM, the Company has provided vendor financing comprised of two components, being a loan (refer Note 8) and preference shares. The preference shares issued by Prieska Resources to the Company (through its subsidiary Agama Exploration & Mining (Pty) Ltd (**Agama**)) have the following key terms:

- The preference shares rank in priority to the rights of all other shares of Prieska Resources with respect to the distribution of Prieska Resource's assets, in an amount up to the redemption amount in the event of the liquidation, dissolution or winding up of Prieska Resources, whether voluntary or involuntary, or any other distribution of Prieska Resources, whether for the purpose of winding up its affairs or otherwise;

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

9 INVESTMENT – PREFERENCE SHARES (continued)

- The preference shares are redeemable by Prieska Resources at any time after the expiry of a period of 3 years and 1 day after the date of issue of the preference shares (being 11 September 2019 and 28 January 2020), and prior to the 8th anniversary of their date of issue at an internal rate of return of 12%; and
- Any preference shares held by the Company (through its subsidiary Agama) after the 8th anniversary of their date of issue will be automatically converted pro rata into ordinary shares in Prieska Resources, up to 49% of the shares in Prieska Resources or, subject to compliance with South African laws, an equivalent number of shares in PCZM.

The movement year on year in relation to principal amount is related to impact of foreign exchange rate movement and not additional amounts classified as principal through the issue of additional preference shares.

10 PLANT AND EQUIPMENT

	2022 \$'000	2021 \$'000
Opening balance – 1 July		
Cost	475	401
Accumulated depreciation	(372)	(344)
Opening written down value	103	57
<u>Movement</u>		
Additions	341	74
Disposals or write offs	---	(7)
Effect of movement in exchange rate	(2)	2
Depreciation expense for the year	(56)	(23)
Written down value at 30 June	386	103
Closing balance – 30 June		
Cost	740	475
Accumulated depreciation	(354)	(372)
Total at 30 June	386	103

11 DEFERRED EXPLORATION, EVALUATION AND DEVELOPMENT

	2022 \$'000	2021 \$'000
Acquired mineral rights		
Opening cost	14,161	14,161
Exploration and evaluation acquired	---	---
Exploration, evaluation and development	14,161	14,161
Deferred exploration and evaluation expenditure		
Opening cost	30,997	26,092
Effect of foreign exchange on opening balance	(1,231)	2,949
Expenditure incurred	16,836	5,839
Exploration expensed	(10,990)	(3,883)
Deferred exploration and evaluation expenditure	35,612	30,997
Net carrying amount at 30 June	49,773	45,158

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

12 TRADE AND OTHER PAYABLES

	2022 \$'000	2021 \$'000
Current		
Trade payables	1,911	746
Other payables	611	217
	2,522	963

13 PROVISIONS

	2022 \$'000	2021 \$'000
Current		
Employee benefits – annual leave	189	177
	189	177
Non-current		
Rehabilitation (a)	1,935	1,810
Employee benefits – long service leave	18	13
	1,953	1,823
Total	2,142	2,000

(a) In South Africa, long term environmental obligations are based on the Group's environmental plans, in compliance with current environmental and regulatory requirements. Full provision is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the reporting date. The estimated cost of rehabilitation is reviewed annually and adjusted as appropriate for changes in legislation. The rehabilitation provision for the Group's South African project is offset by guarantees held by Centriq Insurance Company Limited (\$2.7M) (2021: \$2.4M) (refer Note 6).

In Australia, the state government regulations in Victoria require rehabilitation of drill sites including any other sites where the Group has caused surface and ground disturbance. The estimated cost of rehabilitation is reviewed annually and adjusted as appropriate for changes in legislation. The rehabilitation provision for the Group's Victorian project is partially offset by a guarantee held on deposit (refer Note 6).

14 LOANS

	2022 \$'000	2021 \$'000
Current		
AASMF loan	1,959	1,888
Total	1,959	1,888

On 2 November 2015, PCZM (a 70% owned subsidiary of Agama) and Anglo American sefa Fund (**AASMF**) entered into a loan agreement for the further exploration and development of the Prieska Project. Under the terms of the loan, AASMF advanced ZAR14.25M to PCZM on 1 August 2017. The key terms of the agreement are as follows:

- Loan amount: ZAR14.25M;
- Interest rate: Prime lending rate in South Africa;
- Repayment date: 30 April 2022; and
- Security: 29.17% of the shares held in PCZM by Agama have been pledged as security to AASMF for the performance of PCZM's obligations in terms of the loan.

A settlement plan with two options was submitted to AASMF in the March 2022 quarter for consideration. At the end of the reporting period, the Company, its subsidiary PCZM and AASMF are continuing negotiations to agree and settle a repayment plan in relation to the loan.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

15 COMMITMENTS – PROJECT RELATED

Okiep Copper Project

On 2 August 2021, the Company announced that it had exercised a restructured option to directly acquire the mineral rights and other assets held by Southern African Tantalum Mining (Pty) Ltd (**SAFTA**), Nababeep Copper Company (Pty) Ltd (**NCC**) and Bulletrap Copper Co (Pty) Ltd (**BCC**) (collectively the **Target Entities**), rather than acquire the shares in the Target Entities themselves (**OCP Sale Assets**) (**OCP Transaction**).

It is intended that the OCP Sale Assets will be acquired by two newly formed Orion subsidiary companies. New Okiep Mining Company (Pty) Ltd (initially 56.3% owned by Orion and 43.7% owned by IDC (in relation to SAFTA) and New Okiep Exploration Company (Pty) Ltd (initially 100% Orion-owned) (in relation to NCC and BCC) (each a **Purchaser**) will acquire all of the assets of SAFTA, NCC and BCC, respectively, comprising principally their respective mineral rights, mineral data, rehabilitation guarantees, any specified contracts and any other assets identified by the Purchasers (collectively, the **Sale Assets**) (**Okiep Transaction**).

The aggregate purchase consideration payable by the Purchasers to the Target Entities and their shareholders (excluding the IDC) (**Selling Shareholders**) for the Sale Assets is ZAR76.5M (~\$7.1M) (**Purchase Consideration**), to be settled as to ZAR18.4M (~\$1.7M) in cash and ZAR58.1M (~\$5.4M) in Orion Shares (**Consideration Shares**). The issue price of the Consideration Shares will be equal to the 30-day volume weighted average price of the Consideration Shares traded on the ASX and the JSE in the period ending on the date that is the earlier of (i) the closing date of the applicable part of Okiep Transaction; and (ii) 30 days after the date on which the last of specified mineral right is granted in respect of the Target Entity that is the subject of that transaction.

The Company will pre-pay a portion of the Purchase Consideration (**Pre-Payment**) to the Selling Shareholders with effect from the date that is 90 days after the date on which the last mineral right is granted in respect of the Target Entity that is the subject of that transaction until the closing date of the OCP Transaction concerned. The Pre-Payment amount is ZAR0.35M in respect of the SAFTA transaction and ZAR0.25M in respect of each of the NCC transaction and the BCC transaction. The aggregate of the Pre-Payments is deducted from the Consideration Shares.

For additional information on the Okiep Transaction Agreements, refer to Orion's ASX/JSE announcement, released on 2 August 2021.

Stratega Metals – Battery Metals Refinery

The Company has agreed with Stratega Metals amenability test work (**Test Work**) and project definition as outlined in the binding exclusivity agreement signed. As part of this agreement, the Company is committed to funding phase 1.1 of the Test Work for USD0.25M plus contingency of USD13,250. With phase 1.1 of the Test Work due to be completed by 30 October 2022, funding will likely be requested by Stratega Metals from the Company in four draw downs, as per the agreed schedule.

Triple Flag – Prieska Project Financing

On 9 May 2022, the Company announced that it and TF R&S Canada Ltd. and Triple Flag International Ltd. (together **Triple Flag**) have entered into non-binding term sheets for an ~US\$87M funding package planned to underpin the early production scenario for the Prieska Project announced in January 2021 (refer ASX/JSE release 20 January 2022). The term sheets are non-binding other than in respect of confidentiality, exclusivity until 31 January 2023 and transaction costs (amount payable to Triple Flag capped at US\$0.5M). For additional information on the Triple Flag non-binding term sheets, refer to Orion's ASX / JSE announcement, released on 9 May 2022.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

16 ISSUED CAPITAL AND SHARE BASED PAYMENTS RESERVE

	2022 \$'000	2021 \$'000
Ordinary fully paid shares	189,755	184,999
	189,755	184,999

The following movements in issued capital occurred during the reporting period:

	Number of Shares	Issue price	\$'000
Ordinary fully paid shares			
Opening balance at 1 July 2021	4,317,116,103		184,999
Share Issues:			
Placement – Okiep Copper Project (4 August 2021)	4,097,465	\$0.034	139
Placement – Whittle Consulting (22 December 2021)	11,661,750	\$0.036	420
Placement – Okiep Copper Project (10 February 2022)	49,169,580	\$0.034	1,672
Placement – 23 June 2022	100,000,000	\$0.020	2,000
Placement – 29 June 2022	31,250,500	\$0.020	625
Less: Issue costs	---	---	(100)
Closing balance at 30 June 2022	4,513,295,398		189,755

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

16 ISSUED CAPITAL AND SHARE BASED PAYMENT RESERVE (continued)

The following movements in issued capital occurred during the prior period:

	Number of Shares	Issue price	\$'000
Ordinary fully paid shares			
Opening balance at 1 July 2020	2,899,560,397		146,648
<i>Share Issues:</i>			
Placement - 12 August 2020	342,341,167	\$0.017	5,820
Placement - 19 August 2020	3,807,348	\$0.017	65
Placement - 8 October 2020	10,500,000	\$0.033	347
Placement - Tembo Capital (29 October 2020)	141,176,470	\$0.017	2,400
Options exercise (24 November 2020)	10,000,000	\$0.020	200
Options exercise (30 November 2020)	4,000,000	\$0.020	80
Options exercise (1 December 2020)	2,333,333	\$0.020	47
Placement - 15 March 2021	355,063,496	\$0.036	12,782
Placement - 10 March 2021	133,547,616	\$0.036	4,808
Placement - Executive STI Shares (12 March 2021)	12,002,929	\$0.036	432
Placement - 12 March 2021	1,388,888	\$0.036	50
Placement - OCC Data Option (12 March 2021)	1,878,042	\$0.046	86
Placement - 19 April 2021	205,444,445	\$0.036	7,396
Placement - Executive STI Shares (19 April 2021)	1,968,749	\$0.036	71
Options exercise (9 June 2021)	500,000	\$0.030	15
Placement - Tembo Loan Conversion (28 June 2021)	191,603,223	\$0.026	4,982
Less: Issue costs	---	---	(1,230)
Closing balance at 30 June 2021	4,317,116,103		184,999

Share based payments reserve - movement

The employee share option and share plan reserve is used to record the value of equity benefits provided to employees and directors as part of their remuneration. The following movements in the share based payments reserve occurred during the period:

	\$'000
Opening balance at 1 July 2020	3,384
Share based payments expense	1,096
Unlisted share options expired and transferred to accumulated losses (i)	(562)
Closing balance at 30 June 2021	3,919
Share based payments expense	417
Unlisted share options expired and transferred to accumulated losses (i)	(730)
Closing balance at 30 June 2022	3,606

- (i) During the current and prior year, previously recognised share based payment transactions for options which had vested but subsequently expired were transferred to accumulated losses.

Notes to the Consolidated Financial Statements FOR THE YEAR ENDED 30 JUNE 2022

16 ISSUED CAPITAL AND SHARE BASED PAYMENT RESERVE (continued)

The following options to subscribe for ordinary fully paid shares expired during the year:

	Number of options	Expiry date	Exercise price
Class			
Unlisted options	500,000	31/08/2021	\$0.030
Unlisted options	500,000	31/08/2021	\$0.045
Unlisted options	500,000	31/08/2021	\$0.060
Unlisted options	11,100,000	31/05/2022	\$0.030
Unlisted options	11,600,000	31/05/2022	\$0.045
Unlisted options	11,600,000	31/05/2022	\$0.060
Total	35,800,000		

17 OTHER RESERVE

	2022 \$'000	2021 \$'000
Opening balance	19,956	19,956
<u>Movement</u>		
Transactions between owners	---	---
Closing balance	19,956	19,956

In accordance with AASB 10.23, the gain realised by Nabustax and Itakane on the sale of 20% of the shares in PCZM to Prieska Resources, is recognised directly in equity as transactions between owners without a loss of control.

18 INCOME TAX

	2022 \$'000	2021 \$'000
Income tax expense		
(Loss) before tax	(15,525)	(2,643)
Income tax using the corporation rate of 25.0% (2021: 26.0%)	(3,881)	(687)
Movements in income tax expense due to:		
Effect of different tax rates in foreign jurisdictions	(268)	53
Non deductible expenses	678	548
Non assessable income	(787)	(692)
Employee share based payments expensed	103	285
Non creditable or refundable taxes paid	---	---
	(4,155)	(493)
Tax effect of tax losses not recognised	4,155	28
Income tax expense/(benefit)	---	---

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

18 INCOME TAX (continued)

No income tax is payable by the Group. The directors have considered it prudent not to bring to account the future income tax benefit of income tax losses and exploration deductions until it is probable that future taxable profits will be available against which the unused tax losses can be utilised.

The Group has estimated un-recouped gross Australian income tax losses of approximately \$23M (2021: \$23M) which may be available to offset against taxable income in future years, subject to continuing to meet relevant statutory tests.

The Group also has carry forward tax losses in South Africa of approximately ZAR5.06M (~\$0.46M) (2021: ~\$0.4M) and unredeemed capital expenditure carried forward, which can be offset against future mining income, of ZAR692M (~\$63M) (2021: ~\$47M).

Benefits from the Group's carry forward tax losses will only be obtained if:

- the Group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in taxation legislation adversely affect the economic entity in realising the benefit from the deductions for the losses.

Except to the extent that it does not offset a net deferred tax liability, a deferred tax asset has not been recognised in the accounts for these unused losses because it is not probable that future taxable profit will be available to use against such losses.

Tax consolidation

For the purposes of Australian income taxation, the Company and its 100% controlled Australian subsidiaries have formed a tax consolidation group. The parent entity, Orion Minerals Ltd, reports to the Australian Taxation Office on behalf of all the Australian entities.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

19 LOSS PER SHARE

Basic loss per share amounts are calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year (adjusted for the effects of potentially dilutive options and dilutive partly paid contributing shares).

The following reflects the loss and share data used to calculate basic and diluted earnings per share:

a) Basic and diluted loss per share

	2022 Cents	2021 Cents
Loss attributable to owners of the Company	(0.33)	(0.05)
Diluted loss attributable to owners of the Company	(0.33)	(0.05)

b) Reconciliation of loss used in calculating earnings per share

	2022 \$'000	2021 \$'000
Loss from continuing operations attributable to equity holders of the Group	(15,525)	(2,643)
Less: Loss attributable non-controlling interest	(1,238)	(885)
Loss attributable to owners of the Company	(14,287)	(1,759)

c) Weighted average number of shares

	2022 Number	2021 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share. *	4,347,754,151	3,535,504,984

* Shares are anti-dilutive.

d) Headline loss per share

	2022 \$'000	2021 \$'000
Loss before income tax attributable to owners of the Company	(14,287)	(1,759)
Impairment of non-current assets reversal	---	---
Plant and equipment written off	---	---
Adjusted earnings	(14,287)	(1,759)
Weighted average number of shares	4,347,754,151	3,535,504,984
Earnings / (loss) per share (cents per share)	(0.33)	(0.05)
Diluted earnings / (loss) per share (cents per share)	(0.33)	(0.05)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

20 FINANCIAL INSTRUMENTS

Financial Risk Management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Market risk.
- Credit risk.
- Liquidity risk.

This note presents information about the Group's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's principal financial instruments are cash, short-term deposits, receivables, loans and payables.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income and expenses or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Equity price risk

The Group is currently not subject to equity price risk movement.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from fluctuations in interest bearing financial assets and liabilities that the Group uses. Interest bearing assets comprise cash and cash equivalents which are considered to be short-term liquid assets and investment decisions are governed by the monetary policy.

During the year, the Group had one variable rate interest bearing liability.

It is the Group's policy to settle trade payables within the credit terms allowed and therefore not incur interest on overdue balances.

The Group is not materially exposed to changes in market interest rates. A 1% variation in interest rates would result in interest revenue changing by up to \$14,000 (2021: \$40,000) based on year-end cash balances, and up to \$18,000 (2021: \$5,000) based on year-end security bonds and deposits balances, assuming all other variables remain unchanged.

The Group does not account for any fixed rate financial assets and liabilities at fair value through the Statement of Profit or Loss.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

20 FINANCIAL INSTRUMENTS (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities.

The Group does not presently have customers and consequently does not have credit exposure to outstanding receivables. Other receivables represent GST refundable from the Australian Taxation Office, VAT refundable from South African Revenue Service and security bonds and deposits. Trade and other receivables are neither past due nor impaired.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Refer to Note 2(a)(iii) for a summary of the Group's current plans for managing its liquidity risk.

The Group's objective is to maintain a balance between continuity of funding and flexibility. The Group's exposure to financial obligations relating to corporate administration and projects expenditure, are subject to budgeting and reporting controls, to ensure that such obligations do not exceed cash held and known cash inflows for a period of at least 1 year.

Fair value of financial assets and liabilities

The fair value of cash and cash equivalents and non-interest bearing financial assets and financial liabilities of the Group is equal to their carrying value.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from expenditure in currencies other than the Group's measurement currency. The Group has foreign operations with functional currencies in South African Rand (ZAR). The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements.

The Group has significant exposure to foreign currency risk, particularly between AUD/ZAR, at the end of the reporting period. Foreign exposure risk arises from future commercial transactions and recognised financial assets and financial liabilities which are denominated in a currency other than the Group's functional currency.

Consolidated	30 June 2022			30 June 2021		
	ZAR	USD	GBP	ZAR	USD	GBP
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets						
Trade and other receivables	376	---	---	360	---	---
Loan to joint venture partners	3,376	---	---	2,809	---	---
Investment in Prieska Resources	24,602	---	---	22,648	---	---
Loan to Prieska Resources	1,367	---	---	1,418	---	---
Financial Liabilities						
Trade and other payables	2,327	1	19	630	2	---
AASMF loan	1,959	---	---	1,888	---	---

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

20 FINANCIAL INSTRUMENTS (continued)

The Group's exposure to foreign exchange is predominately ZAR. Should the Australian dollar weaken by 10% / strengthen by 10% against the ZAR (2021: 10% weaken / 10% strengthen), with all other variables held constant, the Groups loss before tax for the year would have been \$1.12M lower / \$1.12M higher (2021: \$0.28M lower / \$0.28M higher). The change is the expected overall volatility of the ZAR:AUD, based on management's assessment of the possible fluctuations, with consideration given to the last 6 months of the reporting period and spot rate at reporting date.

Commodity price risk

The Group's exposure to price risk is minimal at this stage of the operations. Commodity price risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market rates. The risk arises from fluctuations in financial assets and liabilities that the Group uses.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The management of the Group's capital is performed by the Board.

The Board manages the Group's liquidity ratio to ensure that it meets its financial obligations as they fall due and specifically allowing for the expenditure commitments for its mining tenements to ensure that the Group's main assets are not at risk.

Refer to Note 2(a) (iii) for a summary of the Group's current plan for managing its going concern.

None of the Group's entities are subject to externally imposed capital requirements.

The following table sets out the carrying amount, by maturity, of the financial instruments that are exposed to interest rate risk:

30 June 2022	Weighted average interest rate	Floating interest rate \$'000	Fixed interest rate maturing in 1 year or less \$'000	Fixed interest rate maturing in 2 to 5 years \$'000	Fixed interest rate maturing in 5 years \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets							
Cash on hand and at bank	1.04%	4,128	---	---	---	160	4,288
Loan to Prieska Resources	0.00%	---	---	---	---	1,367	1,367
Investment in preference shares	12.00%	---	---	---	24,602	---	24,602
Other receivables	3.59%	---	438	---	2,684	397	3,519
Total		4,128	438	---	27,286	1,924	33,776
Financial liabilities							
Loans	8.25%	---	1,959	---	---	---	1,959
Lease liability	7.01%	---	107	653	4,111	---	4,871
Trade and other payables	0.00%	---	---	---	---	2,522	2,522
Total		---	2,066	653	4,111	2,522	9,352

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

20 FINANCIAL INSTRUMENTS (continued)

30 June 2021	Weighted average interest rate	Floating interest rate \$'000	Fixed interest rate maturing in 1 year or less \$'000	Fixed interest rate maturing in 2 to 5 years \$'000	Fixed interest rate maturing in 5 years \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets							
Cash on hand and at bank	0.74%	20,553	---	---	---	---	20,553
Loan to Prieska Resources	0.00%	---	---	---	---	1,418	1,418
Investment in preference shares	12.00%	---	---	---	22,648	---	22,648
Other receivables	3.41%	---	439	---	2,359	371	3,169
Total		20,553	439	---	25,007	1,789	47,788
Financial liabilities							
Loans	7.00%	---	1,888	---	---	---	1,888
Lease liability	7.00%	---	100	615	4,361	---	5,076
Trade and other payables	0.00%	---	---	---	---	963	963
Total		---	1,988	615	4,361	963	7,927

21 COMMITMENTS AND CONTINGENCIES

Tenement commitments – South Africa and Australia

The Group has a portfolio of tenements located in South Africa and Victoria, Australia, which all have a requirement for a certain level of expenditure each and every year in addition to annual rental payments for the tenements.

Guarantees

The Group has the following contingent liabilities at 30 June 2022:

- It has negotiated bank guarantees in favour of the South African Government towards obligations of mining and exploration tenements. The total of these guarantees at 30 June 2022 was \$2.78M (2021: \$2.46M), including a guarantee towards Eskom for Contract Work Security for the amount of \$37k (ZAR415K).
- The Group also has bank guarantees in favour of the Victorian Government for rehabilitation obligations and the total of these guarantees at 30 June 2022 was \$0.25M (2021: \$0.25M). The Group has sufficient term deposits to cover the outstanding guarantees; and
- It has guaranteed to cover the directors and officers in the event of legal claim against the individual or as a group for conduct which is within the Company guidelines, operations and procedures.

As part of the Group's environmental policy exploration and access sites are regenerated to match or exceed local government and state government expectations. The costs are not considered to be material by the Group however this policy will be reviewed as exploration and development activities increase as the Company moves closer towards commercial production.

Guarantees – Rental Agreement

The Group has the following bonds at 30 June 2022:

- It has negotiated guarantees in favour of rental agreements. The total of these guarantees at 30 June 2022 was \$3,117 (2021: \$3,117).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

22 CONTROLLED ENTITIES

The consolidated financial statements include the financial statements of the Company and the subsidiary's listed in the following table.

Entity	County of incorporation	Parent Ownership Interest		Non-controlling Interest	
		2022 %	2021 %	2022 %	2021 %
Parent Entity					
Orion Minerals Ltd	Australia				
Subsidiaries					
Goldstar Resources (WA) Pty Ltd	Australia	100	100	---	---
Kamax Resources Limited	Australia	100	100	---	---
Areachap Holdings No 1 Pty Ltd	Australia	100	100	---	---
Areachap Holdings No 2 Pty Ltd	Australia	100	100	---	---
Areachap Holdings No 3 Pty Ltd	Australia	100	100	---	---
RSA Services Ltd	Australia	100	100	---	---
Orion Group Services International Ltd	Seychelles	100	100	---	---
Areachap Investments 1 B.V.	Netherlands	100	100	---	---
Areachap Investments 2 B.V.	Netherlands	100	100	---	---
Areachap Investments 3 B.V.	Netherlands	100	100	---	---
Areachap Investments 6 B.V.	Netherlands	100	100	---	---
Agama Exploration & Mining (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 1 (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 2 (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 3 (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 4 (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 5 (Pty) Ltd	South Africa	100	100	---	---
Area Metals Holdings No 6 (Pty) Ltd	South Africa	100	100	---	---
New Okiep Exploration Company (Pty) Ltd	South Africa	100	---	---	---
New Okiep Mining Company (Pty) Ltd	South Africa	100	100	---	---
Orion Exploration No 1 (Pty) Ltd	South Africa	100	100	---	---
Orion Exploration No 3 (Pty) Ltd	South Africa	100	100	---	---
Orion Exploration No 4 (Pty) Ltd	South Africa	100	100	---	---
Orion Exploration No 5 (Pty) Ltd	South Africa	100	100	---	---
Orion Services South Africa (Pty) Ltd	South Africa	100	100	---	---
Prieska Copper Zinc Mine (Pty) Ltd	South Africa	70	70	30	30
Rich Rewards Trading 437 (Pty) Ltd	South Africa	100	100	---	---
Vardocube (Pty) Ltd	South Africa	70	70	30	30
Bartotrax (Pty) Ltd	South Africa	100	100	---	---
Aquila Sky Trading 890 (Pty) Ltd	South Africa	68	68	32	32
Masiqhame Trading 855 (Pty) Ltd	South Africa	50	50	50	50
Associates					
Namaqua Nickel Mining (Pty) Ltd	South Africa	25	25	N/A	N/A
Disawell (Pty) Ltd	South Africa	25	25	N/A	N/A

Associates Note:

Associates listed above are not controlled by the Group and have no material impact on the Consolidated Financial Statements as at 30 June 2022 (refer Note 8).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

23 NON-CONTROLLING INTEREST

	2022 \$'000	2021 \$'000
Opening balance – 1 July	(3,677)	(2,552)
<u>Movement</u>		
Liquidation of subsidiary	---	(240)
Accumulated losses	(1,238)	(885)
Closing balance – 30 June	(4,915)	(3,677)

The non-controlling interest parties have the following interest in the Group South African subsidiaries:

Prieska Copper Zinc Mine (Pty) Ltd 30% (2021: 30%), Vardocube (Pty) Ltd 30% (2021: 30%) and Aquila Sky Trading 890 (Pty) Ltd 31.78% (2021: 31.78%). Masiqhame Trading 855 (Pty) Ltd 50% (2021: 50%) do not participate in the profit/loss and have no impact on the NCI value.

24 RELATED PARTIES DISCLOSURE

Key management personnel compensation

The key management personnel compensation included in administration expenses and exploration and evaluation expenses (refer Note 3) and deferred exploration, evaluation and development (refer Note 11) is as follows:

	2022 \$	2021 \$
Short-term employee benefits	1,627,683	2,431,062
Post-employment benefits	6,818	5,424
Share based payments	179,848	498,807
Total	1,814,349	2,935,293

Individual directors and executives compensation disclosures

Information regarding individual directors and executives' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 are provided in the remuneration report section of the directors' report.

Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control, joint control or a relevant interest over the financial or operating policies of those entities.

A number of these entities transacted with the Group during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

From time to time, Directors of the Group, or their related entities, may provide services to the Group. These services are provided on terms that might be reasonably expected for other parties and are trivial or domestic in nature. The following transactions occurred with related parties:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

24 RELATED PARTIES DISCLOSURE (continued)

	2022 \$	2021 \$
Payments for services to Tarney Holdings Pty Ltd	123,000	217,500
Total	123,000	217,500

Tarney Holdings Pty Ltd is an entity associated with the Company's Chairman, Mr Denis Waddell. Mr Waddell provides consulting services to the Group through Tarney Holdings by way of agreement between both parties.

25 AUDITOR REMUNERATION

	2022 \$	2021 \$
Amounts received or due and receivable by BDO Audit Pty Ltd for:		
An audit or review of the financial report of the Company and any other entity in the Group	91,250	72,500
Total amount for BDO Audit Pty Ltd	91,250	72,500
Amounts received or due and receivable by BDO South Africa for:		
An audit or review of the financial report of the Company and any other entity in the Group	93,368	68,015
Professional services – corporate finance	---	3,629
Total amount for BDO South Africa	93,368	71,644
Total amount for auditors	184,618	144,144

26 SEGMENT REPORTING

The Group's operating segments are identified and information disclosed, where appropriate, on the basis of internal reports reviewed by the Company's Board of Directors, being the Group's Chief Operating Decision Maker, as defined by AASB 8. Reportable segments disclosed are based on aggregating operating segments where the segments have similar characteristics.

The Group's core activity is mineral exploration within South Africa and Australia. During the 2022 financial year, the Group has actively undertaken exploration in South Africa, with segment recording from 29 March 2017.

Reportable segments are represented as follows:

30 June 2022	Australia \$'000	South Africa \$'000	Total \$'000
Segment net operating profit /(loss) after tax	(4,345)	(11,180)	(15,525)
Depreciation	(5)	(140)	(145)
Finance income	110	2,926	3,036
Finance expense	---	(288)	(288)
Exploration expenditure written off and expensed	(1,116)	(9,791)	(10,907)
Segment non-current assets	11,053	73,125	84,178

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

26 SEGMENT REPORTING (continued)

30 June 2021	Australia	South Africa	Total
	\$'000	\$'000	\$'000
Segment net operating profit /(loss) after tax	(5,449)	2,806	(2,643)
Depreciation	(6)	(89)	(95)
Finance income	65	2,403	2,468
Finance expense	(630)	(209)	(839)
Exploration expenditure written off and expensed	(495)	(3,388)	(3,883)
Segment non-current assets	11,303	65,303	76,606

27 PARENT ENTITY DISCLOSURES

As at, and throughout, the financial year ending 30 June 2022 the parent company of the Group was Orion Minerals Ltd.

	2022 \$'000	2021 \$'000
Result of parent entity		
Loss for the year	(2,482)	(4,075)
Other comprehensive income	---	---
Total comprehensive loss for the period	(2,482)	(4,075)
Financial position of parent entity at year end		
Current assets	9,127	25,838
Non-current assets*	89,577	74,485
Total assets	98,704	96,123
Current liabilities	(314)	(465)
Non-current liabilities	1,878	(2,317)
Total liabilities	1,564	(2,782)
Total net assets	100,268	97,541
Total equity of the parent entity comprising of:		
Issued capital	189,755	184,999
Accumulated losses *	(93,095)	(91,377)
Other reserves	3,608	3,919
Total equity	100,268	97,541

* The comparative year values have been restated due to reallocation between accumulated losses and non-current assets. The value of the reallocation is \$4.2M.

The total net assets of the Parent Entity exceed those of the consolidated Group total net assets. The Group has a conservative capitalisation policy alongside low value capital expenditure. The directors are of the opinion that no impairment is required as the loans to Company subsidiary entities are recoverable once the projects are in production.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

27 PARENT ENTITY DISCLOSURES (continued)

Parent entity contingencies

The directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

Contingent liabilities

The Company has issued bank guarantees in respect of its rental agreements and mining tenements. Under the terms of the financial guarantee contracts, the Company will make payments to reimburse the guarantors upon failure of the Company to make payments when due. Refer to Note 20 for further detail.

28 SHARE BASED PAYMENTS

The Group has an Option and Performance Rights Plan (**OPRP**) for the granting of options or performance rights to employees. There were no options granted during the financial year (2021: 7.0M options) under the Company's OPRP. Options granted to Directors and CEO during the year, are reported in the Remuneration Report.

Total expenses arising from share-based payment transactions recognised during the year as part of employee benefit expense was \$0.42M (2021: \$1.10M). Options which expired during the financial year were written back to accumulated losses, \$0.73.

Outlined below is a summary of option movements during the financial year for options issued to key to employees under the OPRP:

30 June 2022	Average Weighted Exercise Price	Number of Options
	\$	
Balance outstanding at start of year	0.045	126,500,000
Granted during the year	---	---
Exercised during the year	---	---
Expired / lapsed during the year	0.045	(35,800,000)
Balance outstanding at end of year	0.045	90,700,000

30 June 2021	Average Weighted Exercise Price	Number of Options
	\$	
Balance outstanding at start of year	0.045	130,999,999
Granted during the year	0.034	7,000,000
Exercised during the year	0.022	(2,833,333)
Expired / lapsed during the year	0.043	(8,666,666)
Balance outstanding at end of year	0.045	126,500,000

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

28 SHARE BASED PAYMENTS (continued)

The weighted average contractual life for the share options outstanding as at 30 June 2022 is between 1 and 4 years (2021: 1 and 4 years). The exercise price range for outstanding options as at 30 June 2022 is between \$0.028 and \$0.07.

The weighted average share price, on options exercised, during the year ended 30 June 2022 was \$0.0 as no options were exercised (2021: \$0.02)

Set out below are the unlisted options exercisable by directors, key management personnel and all employees at the end of the financial year:

Grant date	Expiry date	2022	2021	2020	2019
24 Nov 2020	31 Mar 2025	9,000,000	4,666,666	---	---
20 Nov 2020	31 Mar 2025	16,000,000	8,000,000	---	---
29 Sep 2020	31 Mar 2025	30,000,000	20,000,000	---	---
26 Mar 2020	31 Mar 2025	31,500,000	21,000,000	10,500,000	---
14 June 2019	30 April 2024	30,000,000	30,000,000	20,000,000	10,000,000
29 April 2019	30 April 2024	58,500,000	58,500,000	39,000,000	19,500,000
21 Sep 2018	31 May 2023	14,700,000	14,700,000	10,000,000	5,100,000
31 May 2017	31 May 2022	---	35,800,000	24,400,000	12,300,000
Total		189,700,000	192,666,666	103,900,000	46,900,000

The fair values of the options are estimated at the date of grant using the Hull-White option pricing model. The following table outlines the assumptions made in determining the fair value of the options granted during the year:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Risk-free interest rate	Fair value at grant date
29 June 2022	30 Jun 2023	\$0.017	\$0.025	73.15%	0.27%	\$0.003
23 June 2022	30 Jun 2023	\$0.017	\$0.025	71.92%	0.27%	\$0.003
24 Nov 2020	31 Mar 2025	\$0.029	\$0.028	110.00%	0.23%	\$0.018
24 Nov 2020	31 Mar 2025	\$0.029	\$0.035	110.00%	0.23%	\$0.017
24 Nov 2020	31 Mar 2025	\$0.029	\$0.04	110.00%	0.23%	\$0.018
20 Nov 2020	31 Mar 2025	\$0.029	\$0.028	110.00%	0.23%	\$0.018
20 Nov 2020	31 Mar 2025	\$0.029	\$0.035	110.00%	0.23%	\$0.017
20 Nov 2020	31 Mar 2025	\$0.029	\$0.04	110.00%	0.23%	\$0.018
29 Sep 2020	31 Mar 2025	\$0.031	\$0.028	110.00%	0.31%	\$0.019
29 Sep 2020	31 Mar 2025	\$0.031	\$0.035	110.00%	0.31%	\$0.019
29 Sep 2020	31 Mar 2025	\$0.031	\$0.04	110.00%	0.31%	\$0.020

The weighted average contractual life for the share options outstanding as at 30 June 2022 is between 1 and 4 years (2021: 1 and 4 years).

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2022

29 SUBSEQUENT EVENTS AFTER THE BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years except for the matter referred to below:

- On 22 June 2022, the Company announced a capital raising to fund advancement of early production strategy at its South African base metals projects in the Northern Cape of South Africa.

The capital raising, which was conducted via a three-tranche placement to sophisticated and professional investors, pursuant to Section 708A of the Corporations Act 2001 (**Placement**), comprises up to 1,000M ordinary fully paid shares at an issue price of \$0.02 (being ZAR22 cents) per share and, in respect of the first two tranches, the issue of one free attaching option for every two shares issued (151M unlisted options at an exercise price of \$0.025 (being ZAR27.5 cents) and an expiry date of 30 June 2023) (**Options**).

On 13 July 2022, the Company issued 24,954,817 shares at an issue price of \$0.02 per share and 12,477,408 Options (**Placement One Securities**), following receipt of funds from investors for commitments pursuant to Placement One of the Placement. The issue of these Placement One Securities finalises Tranche 1 of the Placement.

On 23 August 2022, the Company issued 144,454,044 shares at an issue price of \$0.02 per share and 72,227,022 Options (**Placement Two Securities**), pursuant to Tranche Two of the Placement, including to Orion non-executive Director Tom Borman and Orion Chairman Denis Waddell.

- On 22 August 2022, 67,332,902 shares were issued at an issue price of \$0.02 per share under the share purchase plan (**SPP**) which closed on 12 August 2022. Eligible Shareholders could subscribe for new shares up to a maximum of \$30,000 (approximately ZAR330,000), without incurring brokerage or transaction costs. The SPP attracted strong support from shareholders, particularly those in South Africa, which was a pleasing result given the volatility experienced in global financial markets and commodity prices during the SPP offer period.
- On 7 September 2022, the Company announced that it has entered into non-binding term sheets with the Industrial Development Corporation of South Africa Limited (**IDC**) and Lulamile Xate regarding the key principles of the funding and Historically Disadvantaged South African (HDSA) ownership participation arrangements for New Okiep Mining Company (**NOM**). Orion and the IDC anticipate finalising and executing the definitive agreements for the IDC share acquisition and pre-development funding arrangements by 30 September 2022, with the IDC funding to flow during October 2022, subject to fulfilment of conditions precedent standard for such arrangements.

The IDC funding of pre-development costs in the amount of ZAR34.58M will be advanced to NOM on the same terms as the pre-development funding amount of ZAR44.46M already advanced by Orion to NOM.

Directors' Declaration

- 1 In the opinion of the directors of Orion Minerals Ltd (the Company) the consolidated financial statements and notes that are set out on pages 76 to 115 and the Remuneration report set out on pages 62 to 72, identified within in the Directors' report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- 2 The directors draw attention to Note 2(a)(iii) to the consolidated financial statements which the directors have considered in forming their view that there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2022.
- 4 The directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:



Denis Waddell
Chairman
Melbourne, Victoria

27 September 2022



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 Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Orion Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Orion Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2(a)(iii) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

EXPLORATION AND EVALUATION COSTS

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>AASB 6 Exploration for and Evaluation of Mineral Resources contains detailed requirements with respect to both the initial recognition of such assets and ongoing requirements to continue to carry forward the assets.</p> <p>Note 2(r) and note 11 to the financial statements contains the accounting policy and disclosures in relation to exploration and evaluation expenditures.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by obtaining independent searches; • Confirming whether the rights to tenure of the areas of interest remained current at reporting date as well as confirming that rights to tenure are expected to be renewed for tenements that will expire in the near future; • Agreeing a sample of the additions to capitalised exploration expenditure during the year to supporting documentation, and ensuring that the amounts were capitalised correctly; • Reviewing the directors' assessment of the carrying value of the exploration and evaluation expenditure, ensuring that management have considered the effect of potential impairment indicators, commodity prices and the stage of the Group's project; • Reviewing public (ASX) announcements and reviewing minutes of directors' meetings to ensure that the Group had not decided to discontinue activities in any of its areas of interest; and • Reviewing the status of the Group's project to support/corroborate management assessment of the classification of the capitalised exploration asset to ensure the correct presentation at the reporting date.



OKIEP ACQUISITION COSTS

<i>Key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The Group announced that it had exercised its exclusive option to acquire the mineral rights and other assets comprising the Okiep Copper Project (OCP). The Group also exercised its option to acquire the historical mining and exploration database owned by the Okiep Copper Company and its affiliates.</p> <p>We considered this a key audit matter due to the significance of this transaction to the group's continued expansion of its exploration and evaluation operations and the extent of our audit effort undertaken to assess the treatment of the acquisition component costs in the current financial period.</p> <p>Note 15 to the financial statements contains the accounting disclosures in relation to this transaction.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Evaluating management's position paper determining the elements of costs and whether they should be capitalised or expensed; • Engaging BDO's IFRS technical accounting experts to assess Orion's OCP acquisition accounting position paper; • Vouching the relevant acquisition costs incurred in the period to the underlying supporting documents; and • Reviewing the adequacy of the disclosures in the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2022, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 62 to 72 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Orion Minerals Limited, for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

James Mooney
Director

Melbourne, 27 September 2022

Additional ASX information

Shareholder Information

FOR THE YEAR ENDED 30 JUNE 2022

The following additional information not shown elsewhere in this report is required by ASX Limited in respect of listed companies only. This information is current as at 9 September 2022.

DISTRIBUTION OF ORDINARY SHARES AND OPTIONS

	Fully paid ordinary shares			Unlisted options		
	No. of holders	No. of shares	%	No. of holders	No. of options	%
1-1,000	11,614	2,576,320	0.05	-	-	-
1,001-5,000	4,333	10,316,902	0.22	-	-	-
5,001-10,000	1,462	10,914,491	0.23	-	-	-
10,001-100,000	3,887	147,613,108	3.11	-	-	-
100,001 and over	2,116	4,578,616,340	96.39	29	348,029,680	100
	23,412	4,750,037,161	100	29	348,029,680	100

HOLDERS OF NON-MARKETABLE PARCELS

Shareholders holding less than a marketable parcel on the ASX register was 432.

TWENTY LARGEST HOLDERS OF ORDINARY SHARES

The names of the 20 largest holders of ordinary shares are:		Ordinary shares	%
1	Ndovu Capital X BV	1,029,083,226	21.66
2	Sparta AG	304,738,758	6.42
3	Delphi Unternehmensberatung Aktiengesellschaft	240,360,691	5.06
4	Netwealth Investments Limited	183,629,863	3.87
5	IGO Limited	154,166,666	3.25
6	Tarney Holdings Proprietary Limited	125,714,746	2.65
7	Silja Investment Limited	106,321,960	2.24
8	Ratel Growth Proprietary Limited	100,000,000	2.11
9	Deutsche Balaton Aktiengesellschaft	88,995,064	1.87
10	Anglo American sefa Mining	77,567,412	1.63
11	Mr Petrus Fourie	56,557,087	1.19
12	Mosiapoa Capital Proprietary Limited	53,950,235	1.14
13	Belair Australia Proprietary Limited	49,000,000	1.03
14	African Exploration Mining and Fina Soc Limited	43,522,276	0.92
15	Peresec Prime Brokers Proprietary Limited	42,487,226	0.89
16	JAXL Group Proprietary Limited	40,500,000	0.85
17	Dr Leon Eugene Pretorius	39,190,000	0.83
18	Mr Mark William Daniel and Mrs Suzanne Louise Daniel	30,000,000	0.63
19	Safika Resources Limited	22,500,000	0.47
20	Kinsella Holdings Limited	21,335,415	0.45
		2,809,620,625	59.15
	Total issued ordinary share capital	4,750,037,161	

SUBSTANTIAL SHAREHOLDERS

The following shareholders are recorded in the Company's register of substantial shareholders:

Holders giving notice	Date of notice	Ordinary shares as at date of notice	% holding as at date of notice
Ndovu Capital X BV	05-09-2022	1,029,083,226	21.66
Delphi Unternehmensberatung Aktiengesellschaft	15-05-2021	568,844,513	13.79

This information is based on substantial holder notifications provided to the Company.

VOTING RIGHTS

The Company's issued shares are one class with each share being entitled to one vote.

FRANKING CREDITS

The Company has nil franking credits.

Additional ASX information

Tenement Schedule

Project	Right/Tenement	Status	Ownership Interest	Grant Date	Expiry Date	Holder ¹
South Africa						
Prieska	NC30/5/1/2/2/10138MR	Granted	ORN 70.00%	4/12/19	3/12/43	PCZM
Prieska	NC30/5/1/2/2/10146MR	Granted	ORN 70.00%	14/8/20	13/8/2032	VAR
Repli-Dooniespan	NC30/5/1/1/2/11840PR	Granted	ORN 70.00%	29/8/18	28/8/23	PCZM
Bartotrax	NC30/5/1/1/2/11850PR	Granted	ORN 100.00%	9/3/18	8/3/23	BAR
Namaqua-Disawell	NC30/5/1/2/2/10032MR	Granted	ORN 25.00%	19/9/16	Not Executed	NAM
Namaqua-Disawell	NC30/5/1/1/2/10938PR	Granted	ORN 25.00%	2/10/14	8/11/22	DIS
Namaqua-Disawell	NC30/5/1/1/2/11010PR	Granted	ORN 25.00%	2/10/14	8/11/22	DIS
Namaqua-Disawell	NC30/5/1/1/2/12216PR	Granted	ORN 25.00%	14/1/21	13/1/26	NAM
Bokspuys North	NC30/5/1/1/2/12197PR	Granted	ORN 70.00%	14/1/21	13/1/26	OEI
Masiqhame	NC30/5/1/1/2/00816PR NC30/5/1/1/2/12292PR Renewal	Granted Granted	ORN 50.00%	14/5/12 24/3/22	11/3/19 23/3/25	MAS
New Okiep – Mining	NC30/5/1/2/2/10150MR	Granted	ORN 100.00%	28/7/22	27/7/37	SAFTA
New Okiep – Exploration	NC30/5/1/1/2/11125PR	Granted	ORN 100.00%	9/11/17	8/11/22	NCC
New Okiep – Exploration	NC30/5/1/1/2/12357PR	Granted	ORN 100.00%	14/1/21	13/1/26	BCC
Southern Pipeline	NC30/5/1/1/2/12257PR	Application	–	–	–	–
Southern Pipeline	NC30/5/1/1/2/12258PR	Application	–	–	–	–
Southern Pipeline	NC30/5/1/1/2/12287PR	Application	–	–	–	–
Southern Pipeline	NC30/5/1/1/2/12405PR	Application	–	–	–	–
Marydale	NC30/5/1/1/2/12721PR	Application	–	–	–	–
Northern Pipeline	NC30/5/1/1/2/12196PR	Application	–	–	–	–
New Okiep – Mining	NC30/5/1/1/2/12755PR	Application	–	–	–	–
New Okiep – Mining	NC30/5/1/1/2/12848PR	Application	–	–	–	–
New Okiep – Mining	NC30/5/1/1/2/12850PR	Application	–	–	–	–
Okiep Pipeline	NC30/5/1/1/2/12852PR	Application	–	–	–	–
Okiep Pipeline	NC30/5/1/1/2/12854PR	Application	–	–	–	–
Okiep Pipeline	NC30/5/1/1/2/12897PR	Application	–	–	–	–
Okiep Pipeline	NC30/5/1/1/2/13010PR	Application	–	–	–	–

Additional ASX information

Tenement Schedule

Project	Right/Tenement	Status	Ownership Interest	Grant Date	Expiry Date	Holder ¹
Western Australia						
Fraser Range	E28/2367	Granted	KMX 30%	7/5/15	6/5/25	IGO
Fraser Range	E28/2378	Granted	KMX 30%	22/7/15	21/7/25	IGO
Fraser Range	E28/2462	Granted	KMX 30%	27/7/15	26/7/25	IGO
Fraser Range	E28/2596	Granted	KMX 30%	6/9/16	5/9/26	IGO
Fraser Range	E39/1653	Granted	KMX 35%	20/4/12	19/4/22	IGO & GRPL
Fraser Range	E39/1654	Granted	ORN 10%	23/4/12	22/4/22	IGO & NBX
Fraser Range	E69/2379	Granted	ORN 10%	21/5/13	20/5/23	IGO & PON
Fraser Range	E69/2707	Granted	ORN 10%	19/6/15	18/6/25	IGO & PON
Fraser Range	E39/1658	Application	–	–	–	–
Fraser Range	E39/1818	Application	–	–	–	–
Fraser Range	E69/2706	Application	–	–	–	–
Victoria						
Walhalla	EL5042	Application	–	–	–	–
Walhalla	EL6069	Application	–	–	–	–

¹ Holder abbreviations – ORN (Orion Minerals Ltd); GRPL (Geological Resources Pty Ltd); IGO (IGO Ltd); KMX (Kamax Resources Limited); NBX (NBX Pty Ltd); PON (Ponton Minerals Pty Ltd); NAM (Namaqua Nickel Mining (Pty) Ltd); DIS (Disawell (Pty) Ltd); MAS (Masiqhame 855 (Pty) Ltd); PCZM (Prieska Copper Zinc Mine (Pty) Ltd); VAR (Vardocube (Pty) Ltd); BAR (Bartotrax (Pty) Ltd); OE1 (Orion Exploration No. 1 (Pty) Ltd); SAFTA (Southern African Tantalum Mining (Pty) Ltd); NCC (Nababeep Copper Company (Pty) Ltd); BCC (Bulletrap Copper Co (Pty) Ltd).

Corporate Directory

BOARD OF DIRECTORS

Denis Waddell (Non-Executive Chairman)
Errol Smart (Managing Director/CEO)
Thomas Borman (Non-Executive Director)
Godfrey Gomwe (Non-Executive Director)
Alexander Haller (Non-Executive Director)
Mark Palmer (Non-Executive Director)

COMPANY SECRETARY

Martin Bouwmeester

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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Melbourne, Victoria 3000
Telephone: +61 (0)3 8080 7170

AUDITOR

BDO Audit Pty Ltd
Level 18
Tower 4, 727 Collins Street
Docklands, Victoria 3008

SHARE REGISTRY

Link Market Services Limited
QV1, Level 2, 250 St Georges Terrace
Perth, Western Australia 6000
Telephone: +61 1300 306 089

STOCK EXCHANGE

Primary listing:

Australian Securities Exchange (ASX)
ASX Code: ORN

Secondary listing:

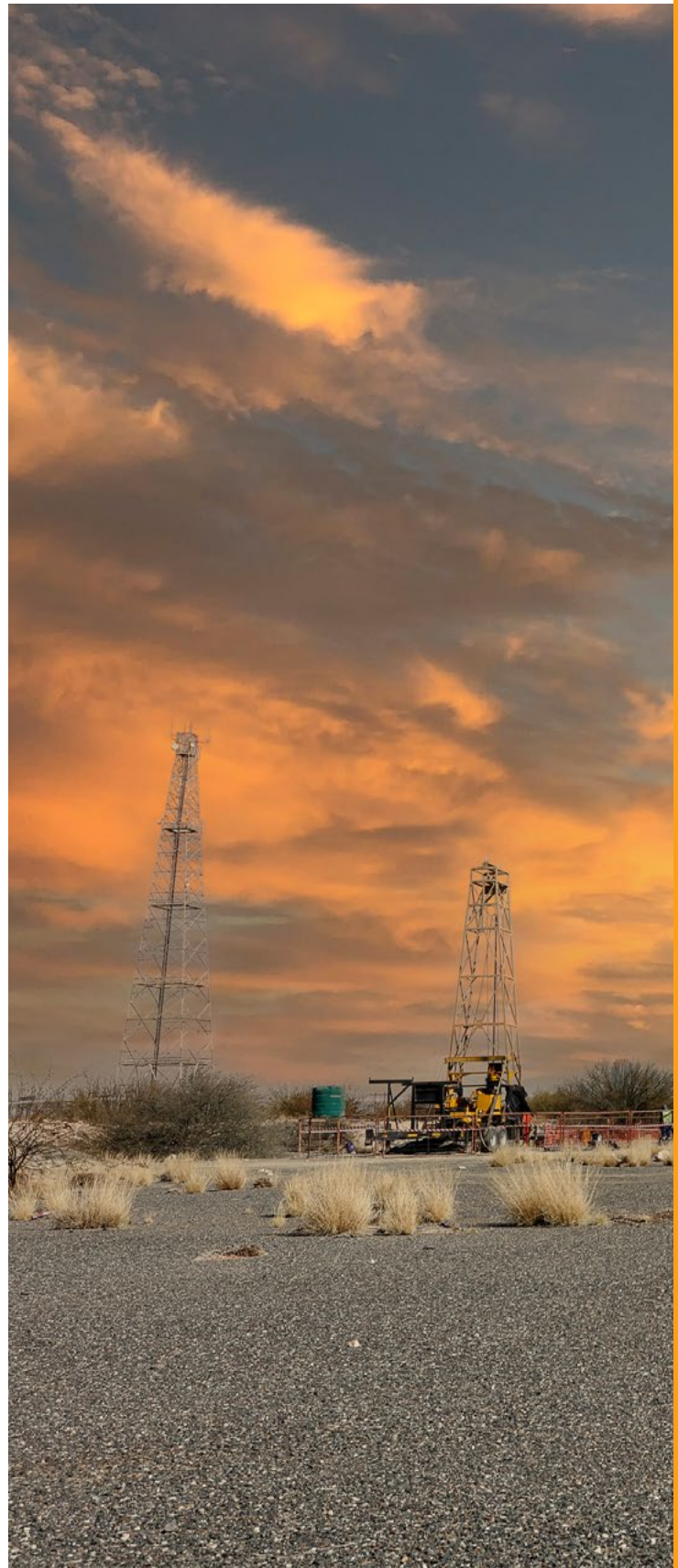
JSE Limited (JSE)
JSE Code: ORN

JSE SPONSOR

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Orion Minerals

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