



**Orion Metals Limited (ASX:ORM)**

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## **ASX RELEASE**

# **Postponement of Annual General Meeting**

**22 JUNE 2012**

The Board of Orion Metals Limited (**Orion** or **ORM**) has this morning resolved to postpone its Annual General Meeting (**AGM**) scheduled for this morning, 22 June 2012, at 11.00am (**AGM**) to 11.00am on Wednesday 4 July 2012. The postponement of the meeting is necessary to facilitate the correction of the Bidder's Statement dated 31 May 2012 (**Bidder's Statement**) lodged by Australia Conglin International Investment Group Pty Ltd (**Conglin Group**) with respect to the potential effect that voting on Resolution 7 of the AGM may have on the defeating conditions contained in the Bidder's Statement and to enable shareholders of ORM the opportunity to review the manner in which they vote at the AGM.

The venue for the postponed annual general meeting will be Level 7, Waterfront Place, 1 Eagle Street, Brisbane. The business to be transacted at this meeting remains unchanged.

### **Background**

Under the announcement by ORM and Conglin Group on 31 May 2012 regarding the proposed takeover by Conglin Group, the agreed bid terms contained in Schedule 1 of the Bid Implementation Agreement attached to that announcement specified that it was a condition of the takeover offer that ORM will not issue any new shares in the company except for the issue of shares to the shareholders of Ultimate Resources Pty Ltd (**ULT** or **Ultimate**) in accordance with the terms of the acquisition of ULT.

As previously announced by ORM, ORM has entered into agreements with the shareholders of ULT to acquire the balance of the shares in ULT not currently held by ORM in return for the issue of shares in ORM. The issue of these shares by ORM is subject to the approval of shareholders, which is being sought under Resolution 7 at the AGM.

However, section 7.9(j)(ii) of the Bidder's Statement prevents the issue of any shares by ORM during the period of the takeover offer is open for acceptance (**Offer Period**) without an exclusion for the issue of the shares to the shareholders of ULT.

Orion has raised this issue with the Bidder and been advised that Conglin Group does not intend to exercise its rights under clause 7.9(j)(ii) in the event that shares are issued to ULT shareholders. Orion understands that Conglin Group has made an announcement clarifying its intent in this regard to the market. However the Board of Orion has concerns that Orion shareholders (without the benefit of this statement of clarification) may have voted against the issue of shares under Resolution 7 on the basis that such issue may constitute the triggering of a defeating condition.

The Orion board has been approached by a number of parties expressing concern over this issue and is of the view that the postponement will entitle the Orion shareholders to make a fully informed assessment on the transaction that is the subject of Resolution 7.



### **Orion Board Supports the Conglin Group Bid**

The Orion board also takes this opportunity to reiterate its continued recommendation for the bid proposed by the Conglin Group (subject to any superior proposal being received) and that nothing arising from the deficiency in the Bidders Statement or otherwise has altered the Board's current view in that regard.

Orion will seek to make further disclosure on this to its shareholders and the market generally to ensure that shareholders are updated in this regard.

David K Barwick  
Chairman

#### **For further information contact:-**

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Further information on Orion Metals Ltd. visit [www.orionmetals.com.au](http://www.orionmetals.com.au)