



Orion Metals Limited (ASX: ORM)

ABN 89 096 142 737

Level 24, 71 Eagle Street, Brisbane, Queensland

GPO Box 7115 Brisbane Qld 4001

Phone: 61 7 3020 0000

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www.orionmetals.com.au

7 October 2014

ASX ANNOUNCEMENT

ORION ANNOUNCES CAPITAL RAISING INITIATIVE

Extraordinary General Meeting

As announced on 19 September 2014, Orion Metals Limited (ASX:ORM) ("Company") has entered into agreements with two of its major shareholders, Australia Conglin International Investment Group ("ACIIG") and Jien Mining Pty Ltd for the placement of a total of 50,000,000 shares at a price of \$0.02 per share to raise \$1,000,000 ("Share Placements").

As ACIIG is a related party of the Company, the placement to ACIIG is subject to shareholder approval under Chapter 2E and Item 7 of section 611 of the *Corporations Act 2001* (Cth).

Enclosed with this announcement is a copy of the notice of Extraordinary General Meeting ("EGM") to approve the placement to ACIIG, as well as other ancillary business, which will be held at 11:00am (Brisbane Time) on Thursday, 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane. A copy of the notice is being despatched to shareholders.

Share Purchase Plan

In addition to the Share Placements, the Company is providing eligible shareholders with the opportunity to participate in a share purchase plan ("SPP") to apply for up to \$15,000 worth of shares in the Company, free from brokerage or transaction costs.

A copy of the SPP Offer Booklet containing the Terms and Conditions of the SPP is enclosed with this announcement, which is also being despatched to eligible shareholders. The Company encourages you to read the SPP Offer Booklet carefully, and if necessary, seek your own financial and taxation advice before you decide to participate in the SPP.

The issue price under the SPP will be the lower of:

- \$0.015, representing a 25% discount to the price offered under the Share Placements and a 25% discount to the Company's closing share price on the ASX on 3 October 2014 (being the last trading date before this announcement); and
- a 5% discount to the volume weighted average price of the Company's shares traded on the ASX over the 5 trading days prior to the day that shares under the SPP are to be issued.



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Applications under the SPP can only be made for one of the six parcel options outlined in the Application Form attached to the SPP Offer Booklet, with a minimum payment of \$2,500. To apply for SPP Shares you must complete and return the Application Form with a cheque or money order payable to the account shown on the Application Form and described in section 3.17 of the SPP Offer Booklet.

To be considered, your application must be received by Link Market Services before 5:00pm (Brisbane time) on 20 November 2014.

If you do not wish to participate in the SPP you do not need to take any action in relation to it, however, you should still vote at the EGM.

If you have any questions about the EGM or the SPP please contact the Company on (07) 3020 0000 during office hours of 9:00am to 5:00pm (Brisbane time).

About Orion

Orion Metals Limited (ASX:ORM) is a Rare Earth Element (REE) and Gold explorer with exploration projects in the highly prospective metal provinces of the Tanami Desert of Western Australia, the Cloncurry Mining District of Western Queensland, and Mount Surprise in Northeast Queensland.

For further information

Please contact:

Bill Lyne

Company Secretary

Mobile: 0418 874 175

Email: blyne@orionmetals.com.au

**ORION METALS LIMITED
ACN 096 142 737**

NOTICE OF MEETING

incorporating

EXPLANATORY MEMORANDUM

and

PROXY FORM

Date of meeting: Thursday, 6 November 2014

Time of meeting: 11:00am (Brisbane Time)

Place of meeting: The offices of Ashurst Australia, Level 38, 123 Eagle Street,
Brisbane, Queensland

ORION METALS LIMITED
ACN 096 142 737

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a meeting of the Shareholders of Orion Metals Limited (**Company**) will be held at 11:00am (Brisbane time) on Thursday, 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane, Queensland.

The Explanatory Memorandum and Proxy Form accompanying this Notice of Meeting are incorporated in and comprise part of this Notice of Meeting. Capitalised terms used in this Notice of Meeting have the meaning given to them in Schedule 1 of the Explanatory Memorandum.

AGENDA FOR MEETING

1. **Resolution 1 – Issue of 41,035,000 fully paid ordinary shares to Australia Conglin International Investment Group Pty Ltd**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval is given for the purposes of Chapter 2E and Item 7 of Section 611 of the Corporations Act and Listing Rule 10.11 and for all other purposes, for the issue of 41,035,000 fully paid ordinary shares in the Company to Australia Conglin International Investment Group Pty Ltd on the terms set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on Resolution 1 by ACIIG or any associate of ACIIG, which includes Mr Conglin Yue.

Under Listing Rule 14.11, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Under section 224(2) of the Corporations Act, the restriction above does not prevent the casting of a vote if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution and it is not cast on behalf of ACIIG or any of its associates (as defined in the Corporations Act). The associates of ACIIG for the purposes of Section 224 of the Corporations Act include Mr Conglin Yue, Ms Yanchun Wang and Mr Bin Cai, being directors of ACIIG.

2. **Resolution 2 – Issue of 8,965,000 fully paid ordinary shares to Jien Mining Pty Ltd**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That approval is given for the purposes of Listing Rule 7.1 and for all other purposes, for the issue of 8,965,000 fully paid ordinary shares in the Company to Jien Mining Pty Ltd for the purpose and on the terms set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast on Resolution 2 by Jien or any of its associates. However, the Company will not disregard a vote if it is cast by Jien or any of its associates as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

OTHER BUSINESS

To consider any other business that may lawfully be brought forward.

BY ORDER OF THE BOARD



Bill Lyne
Company Secretary
Dated: 7 October 2014

VOTING ENTITLEMENT

For the purposes of determining entitlements to vote at the Meeting, the Company's Shares will be taken to be held by the people registered as holders at 7:00 pm (Brisbane time) on 4 November 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

PROXIES

Shareholders entitled to attend and vote at the Meeting are entitled to appoint a proxy. The proxy may be an individual or a body corporate.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes such proxy may exercise, each proxy may exercise half of the votes disregarding fractions.

For an appointment of proxy to be valid, the Proxy Form and, if the form is signed under a power of attorney or other authority, the authority under which the form is signed (or a certified copy of the authority) must be received at the Company's Share Registry, Link Market Services Limited, in any of the following ways:

- **by mail:** Orion Metals Limited
c/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

- **by fax:** +61 2 9287 0309

not less than 48 hours prior to the time of commencement of the Meeting or adjourned Meeting, as the case may be, at which the proxy named in the Proxy Form proposes to vote (i.e. no later than 11:00am (Brisbane time) on 4 November 2014).

A proxy must be signed by the Shareholder or the Shareholder's attorney duly authorised in writing or, if the Shareholder is a company, in a manner permitted by the Corporations Act. The proxy may, but need not, be a Shareholder.

A Proxy Form accompanies this Notice of Meeting. Additional Proxy Forms are available on request from the Company's Share Registry.

How undirected proxies held by the Chairman of the meeting will be voted

If you appoint the Chairman of the Meeting as your proxy and you do not specify in the Proxy Form the manner in which you wish the Chairman to vote on the resolutions to be considered at the Meeting, the Chairman intends to vote in favour of each resolution.

If you appoint the Chairman of the Meeting as your proxy and wish to direct the Chairman how to vote on a resolution to be considered at the Meeting, you must complete the directed proxy part of the Proxy Form (Step 2 on the Proxy Form).

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on each resolution.

IMPORTANT VOTING RESTRICTIONS

If you are entitled to vote, and you wish to appoint a proxy, you should be aware that if your proxy is a person who is not entitled to vote in their own right, the person may (subject to the Corporations Act) still vote as your proxy but your proxy's vote on your behalf will only be valid if, subject to the comments above in respect of undirected proxies held by the Chairman, you direct your proxy on the Proxy Form how to vote and the proxy does vote as directed.

CORPORATE REPRESENTATIVES

A Shareholder which is a body corporate and which is entitled to attend and vote at the Meeting, or a proxy which is a body corporate and which is appointed by a Shareholder entitled to attend and vote at the Meeting, may appoint a person to act as its representative in accordance with section 250D of the Corporations Act. The representative must present satisfactory evidence of his or her appointment prior to admission to the Meeting.

ORION METALS LIMITED
ACN 096 142 737

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in Orion Metals Limited (**Company**) in connection with the business to be considered at the Meeting of Shareholders to be held at 11:00am (Brisbane time) on 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane, Queensland.

This Explanatory Memorandum comprises part of the accompanying Notice of Meeting. Capitalised terms are defined in Schedule 1 of this Explanatory Memorandum.

Details of the business to be considered at this Meeting is set out below.

Purpose of Explanatory Memorandum

The purpose of this Explanatory Memorandum is to provide Shareholders with information which may be relevant to the resolutions to be put to Shareholders at the Meeting.

Background to Resolutions

On 19 September 2014, the Company announced a capital raising initiative, which comprised of the following components:

- the issue of 41,035,000 Shares to ACIIG at \$0.02 per Share (**ACIIG Placement Shares**), which is the subject of Resolution 1 (**ACIIG Placement**);
- the issue of 8,965,000 Shares to Jien at \$0.02 per Share (**Jien Placement Shares**), which is the subject of Resolution 2 (**Jien Placement**); and
- a Share Purchase Plan, under which the existing Shareholders of the Company have the opportunity to subscribe for up-to \$15,000 worth of Shares for the lesser of:
 - \$0.015 per Share, being an approximate 25% discount to the closing price of the Company's Shares on the ASX on 2 October 2014 and a 25% discount on the price offered to ACIIG and Jien under their respective placement arrangements; and
 - a price constituting a 5% discount to the volume weighted average price of the Company's shares traded on the ASX over the 5 trading days prior to the day that the Share Purchase Plan Shares are to be issued,

(the **Capital Raising Initiative**).

The funds raised by the Capital Raising Initiative will allow the Company to continue its current exploration program and provide additional working capital. The ACIIG Placement (if approved by Shareholders), together with the Jien Placement, will raise \$1,000,000.

The Share Purchase Plan provides Shareholders with the opportunity to participate in the Capital Raising Initiative. Under the Share Purchase Plan, each eligible Shareholder has the opportunity to purchase up to \$15,000 worth of Shares free from transaction and brokerage costs. Shareholders may purchase a minimum of \$2,500 worth of Shares and orders of Shares are required to be lodged in multiples of \$2,500, up to \$15,000.

1. **Resolution 1: Issue of 41,035,000 Shares in the Company to Australia Conglin International Investment Group Pty Ltd**

1.1 **Introduction**

Resolution 1 seeks Shareholder approval to issue 41,035,000 fully paid ordinary shares in the Company to ACIIG at a price of \$0.02 per Share.

On 18 September 2014, the Company entered into a subscription agreement with ACIIG, under which ACIIG agreed to subscribe for the ACIIG Placement Shares. The issuance of the ACIIG Placement Shares is subject to Shareholder approval.

1.2 **Shareholder approval required under the Listing Rules**

Shareholder approval of the ACIIG Placement is required under Listing Rule 10.11.

Listing Rule 10.11 provides that an entity must not issue or agree to issue equity securities to a related party unless one of the exceptions in Listing Rule 10.12 applies. Exception 10 in Listing Rule 10.12 states that an issue of equity securities to a related party is permitted where such issue is conditional on the holders of ordinary securities approving the issue. The Company is therefore seeking Shareholder approval for the ACIIG Share Placement.

Listing Rule 10.13 prescribes certain information which must be set out in the notice of meeting where an entity is seeking shareholder approval under Listing Rule 10.11. The relevant information is set out at section 1.3 below.

Shareholder approval is not required under Listing Rule 7.1 because Listing Rule 7.2, exception 14 applies to the proposed issue of the ACIIG Placement Shares.

1.3 **Information required under the Listing Rules**

Listing Rule 10.13 requires that the following information be provided to Shareholders in relation to Resolution 1:

Person to whom the Shares will be issued:	ACIIG
Number of Shares:	41,035,000
Date of issue of the Shares:	Within 30 days after the date of the Meeting
Relationship between ACIIG and the Company:	ACIIG, being an entity that controls the Company, is a related party of the Company in accordance with Section 228(1) of the Corporations Act
Issue price of the Shares:	\$0.02
Funds raised by the issue:	\$820,700
Intended use of funds raised:	To allow the Company to continue its current exploration program and to provide additional working capital

ACIIG is an Australian incorporated company controlled by Mr Conglin Yue.

Resolution 1 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 1.

1.4 **Shareholder approval required under Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act regulates the provision by a public company of a "financial benefit" to a "related party".

Section 208 of the Corporations Act prohibits:

- (1) a public company giving a financial benefit to a related party; or
- (2) a company which is controlled by the public company giving a financial benefit to a related party,

unless one of a number of exceptions applies, or shareholder approval is obtained.

A "financial benefit" is defined under the Corporations Act to include a company issuing shares to a person or granting options to a person.

A "related party" is defined under Section 228 of the Corporations Act to include an entity that controls a public company. ACIIG holds 54.88% (and together with its associate, Mr Yue, holds in aggregate 69.71%) of the Shares in the Company, and is therefore deemed to control the Company and is taken to be a related party of the Company. Accordingly, Shareholder approval of the ACIIG Placement is being sought under Chapter 2E of the Corporations Act.

1.5 **Shareholder approval required under Item 7 of Section 611 of the Corporations Act**

Section 606 of the Corporations Act prohibits a person acquiring a "relevant interest" in issued voting shares of a company if:

- (1) the company is listed;
- (2) the person acquiring the interest does so through a transaction in relation to securities entered into by or on behalf of the person; and
- (3) because of the transaction, that person's voting power in the company increases from a starting point that is above 20% and below 90%,

unless one of the exceptions in Section 611 applies.

Section 608 of the Corporations Act states that a person has a relevant interest in securities if, amongst other things, they are the holder of the securities.

ACIIG, together with its associates, currently holds 69.71% of the Shares in the Company and, if the Share Placement is approved, will hold 74.04% of the Shares in the Company following the issuance of the Shares pursuant to the ACIIG Share Placement and the Jien Placement and before the issue of any Shares under the Share Purchase Plan.

Item 7 of Section 611 permits an acquisition of the type contemplated under Section 606 of the Corporations Act, provided that:

- (1) the acquisition is approved by resolution passed at a general meeting of the company;
- (2) no votes are made in favour of the resolution by the person proposing the make the acquisition or their associates, or the persons from whom the acquisition is to be made and their associates; and
- (3) the members of the company were given all information known to the person proposing to make the acquisition, including the information set out in Item 7 of Section 611 of the Corporations Act.

Shareholder approval of the ACIIG Placement is being sought under Item 7 of Section 611 of the Corporations Act.

1.6 Information required to be provided to Shareholders under the Corporations Act

The following information is provided to Shareholders in relation to Resolution 1 in accordance with the requirements of Section 219 and Item 7 of Section 611 of the Corporations Act.

(1) The related party under Resolution 1

The related party which will receive the financial benefit of the ACIIG Placement is ACIIG. ACIIG, together with its associates, currently holds 69.71% of the Shares in the Company.

Mr Conglin Yue is a Director of the Company and also controls ACIIG.

The shareholders of ACIIG are Mr Conglin Yue and Ms Yanchun Wang.

The directors of ACIIG are Mr Conglin Yue, Ms Yanchun Wang and Mr Bin Cai. Ms Yanchun Wang is Mr Conglin Yue's spouse.

(2) The proposed financial benefit

The proposed financial benefit is for the Company to issue 41,035,000 Shares in the Company to ACIIG at an issue price of \$0.02 per Share.

(3) Consideration

The consideration payable for the financial benefit by ACIIG is \$0.02 per Share.

(4) Reasons for giving the financial benefits

The reason for giving the financial benefit is for the Company to raise additional funds of \$820,700.

(5) Intended use of funds raised by the ACIIG Placement

The funds raised will be used by the Company to continue its current exploration program and to provide additional working capital.

(6) Voting power

As at the date of this Notice, the Company has on issue 92,597,443 Shares.

The table below summarises the effect that the ACIIG Placement, the Jien Placement and the Share Purchase Plan will have on the voting power of ACIIG together with its associates, Jien and the other Shareholders of the Company.

ACIIG, Mr Conglin Yue and Jien have confirmed to the Company that each of them will not participate in the Share Purchase Plan.

Shareholder	ACIIG (together with its associates) ¹	Jien	Other Shareholders ²
Current	69.71%	15.23%	15.06%
Post Placements ³	74.04%	16.17%	9.78%
2.5% SPP take-up ⁴	69.19%	15.12%	15.69%
5% SPP take-up ⁵	64.93%	14.19%	20.88%
10% SPP take-up ⁶	57.82%	12.63%	29.55%
25% SPP take-up ⁷	43.52%	9.51%	46.97%
50% SPP take-up ⁸	30.82%	6.73%	62.45%
100% SPP take-up ⁹	19.46%	4.25%	76.29%

1 ACIIG's voting power includes the voting power of its associate, Mr Conglin Yue, who holds 13,729,628 Shares in the Company.

2 Calculations are based on the Company having 400 Shareholders, other than ACIIG, Mr Yue and Jien.

3 The calculation is following completion of the ACIIG and Jien Placements and before the issue of any Shares under the SPP.

4 Assumes a take-up under the SPP by 10 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share

5 Assumes a take-up under the SPP by 20 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share.

6 Assumes a take-up under the SPP by 40 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share.

7 Assumes a take-up under the SPP by 100 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share.

8 Assumes a take-up under the SPP by 200 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share.

9 Assumes a take-up under the SPP by 400 Shareholders at a full subscription level of \$15,000 at \$0.015 per Share.

(7) Interests of Directors in the outcome of Resolution 1

Dr Li has no interest in the outcome of Resolution 1. Mr Yue and Ms Wang have an interest in the outcome of Resolution 1 as they are shareholders in ACIIG. Mr Yue, Ms Wang and Mr Cai have an interest in Resolution 1 as they are directors in ACIIG.

The number of Shares and options in which each Director has an interest in is set out below (as at the date of the notice of Meeting):

Director	Shares held directly	Shares held indirectly
Conglin Yue	13,729,628	50,817,948 (held by ACIIG)
Yanchun Wang	Nil	50,817,948 (held by ACIIG)
Bin Cai	Nil	6,250 (held by Australia Cayenne Holdings Pty Ltd, of which he is a director and shareholder)
Tao Li	Nil	Nil

(8) Date of issuing the shares

If Resolution 1 is passed, the Company intends to issue the shares within 30 days after the date of the Meeting.

(9) Trading History

The following table sets out the highest and lowest recorded market sales of Shares on the ASX during the 12 months immediately preceding 2 October (being the last available trading day before the finalisation of this Notice of Meeting):

Period	Low	High
1 month	\$0.015	\$0.02
3 months	\$0.015	\$0.02
6 months	\$0.015	\$0.028
12 months	\$0.015	\$0.05

The closing price of the Company's Shares on the ASX on 2 October 2014 was \$0.02.

ACIIG will pay \$820,700 to the Company for the issue of the Shares, being \$0.02 per Share.

Recommendation of each Director

The Directors are Dr Tao Li (Non-executive Director), Mr Conglin Yue (CEO and Executive Chairman), Mr Bin Cai (Non-executive Director) and Ms Yanchun Wang (Non-executive Director).

Dr Li recommends that Shareholders vote in favour of Resolution 1, for the reasons set out at (4) above.

Mr Yue, Mr Cai and Ms Wang have an interest in the resolution and for that reason do not make a recommendation to Shareholders in relation to Resolution 1.

2. Resolution 2 - Approval of issue of 8,965,000 fully paid ordinary shares to Jien Mining Pty Ltd for the purposes of Listing Rule 7.1

2.1 Introduction

As part of the Capital Raising Initiative, the Company has executed a share subscription agreement for the issue of 8,965,000 Shares to Jien at \$0.02 per Share.

The issuance of the Jien Placement Shares is not subject to Shareholder approval, however approval of the issue is being sought to provide the Company with flexibility to issue further Shares representing up to 15% of the Company's share capital during the next 12 months.

2.2 Shareholder approval under the Listing Rules

Listing Rule 7.1 provides that a listed company must not, without prior approval of shareholders, issue equity securities if the securities will in themselves or, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Under this Resolution 2, the Company seeks from Shareholders approval for the issue of the Jien Placement Shares to provide the Company with flexibility to make further issues of Shares during the next 12 months representing up to 15% of the number of securities on issue at the relevant time in accordance with Listing Rule 7.1.

2.3 Information required under the Listing Rules

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to Resolution 2.

Number of Shares:	8,965,000
Date of issue of the Shares:	Proposed to be issued on 10 November 2014, but in any case, will be issued within 30 days of the Meeting
Issue price of the Shares:	\$0.02
Person to who the Shares will be issued:	Jien
Funds raised by the issue:	\$179,300
Intended use of funds raised:	To allow the Company to continue its current exploration program and to provide additional working capital

Recommendation of the Directors

Each of the Directors believes that the approval of the issue of Shares under the Jien Placement is beneficial to the Company. The Directors recommend Shareholders vote in favour of Resolution 2 as it allows the Company to retain flexibility to issue further Shares representing up to 15% of the Company's share capital during the next 12 months.

Resolution 2 is an ordinary resolution.

The Chairman intends to exercise all available proxies in favour of Resolution 2.

Schedule 1

Definitions

The following words shall have the following meanings in this Notice of Meeting and Explanatory Memorandum:

ACIIG means Australia Conglin International Investment Group Pty Ltd ACN 133 767 665.

ACIIG Placement means the proposed issue of 41,035,000 Shares to ACIIG at \$0.02 per Share pursuant to the Share Subscription Agreement between the Company and ACIIG dated 18 September 2014.

ACIIG Placement Shares means the 41,035,000 Shares to be issued to ACIIG under the ACIIG Placement.

ASX means ASX Limited ACN 008 624 691 or, where applicable, the Australian Securities Exchange operated by ASX.

Board means the Board of Directors of the Company.

Capital Raising Initiative means the initiative by the Company to raise additional funds under the ACIIG Placement, the Jien Placement and the Share Purchase Plan.

Company or **Orion** means Orion Metals Limited ACN 096 142 737.

Constitution means the constitution of the Company.

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

Director means a director of the Company at the date of this Notice of Meeting.

Explanatory Memorandum means this explanatory memorandum and any schedule or annexure to it.

Jien means Jien Mining Pty Ltd ACN 110 986 797.

Jien Placement means the proposed issue of 8,965,000 Shares to Jien at \$0.02 per Share pursuant to the Share Subscription Agreement between the Company and Jien dated 18 September 2014.

Jien Placement Shares means the 8,965,000 Shares to be issued to Jien under the Jien Placement.

Listing Rules or **ASX Listing Rules** means the listing rules of ASX.

Meeting means the General Meeting of the Company to be held at 11:00am (Brisbane time) on 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane, Queensland.

Notice of Meeting means, unless the context requires otherwise, this document which comprises the Company's Notice of Meeting to be held at 11:00am (Brisbane time) on 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane, Queensland and the accompanying Explanatory Memorandum and the Proxy Form.

Ordinary Resolution means a resolution passed by more than 50% of the votes at a general meeting of shareholders.

Proxy Form means the proxy form attached to the Notice.


Resolution means a resolution of the Company set out in this Notice of Meeting.

Share means a fully paid ordinary share in the Company and Shares has a corresponding meaning.

Share Purchase Plan or **SPP** means the Share Purchase Plan announced by the Company on 19 September 2014.

Shareholder means a shareholder in the Company.

 **By mail:**
Orion Metals Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

 **By fax:** +61 2 9287 0309

 **All enquiries to: Telephone:** +61 1300 554 474



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PROXY FORM

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

STEP 1

APPOINT A PROXY

the Chairman of the Meeting (mark box) OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy.

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the General Meeting of the Company to be held at **11:00am (Brisbane time) on Thursday, 6 November 2014 at the offices of Ashurst Australia, Level 38, 123 Eagle Street, Brisbane, Queensland (the Meeting)** and at any postponement or adjournment of the Meeting.


The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

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

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 Issue of 41,035,000 fully paid ordinary shares to Australia Conglin International Investment Group Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Issue of 8,965,000 fully paid ordinary shares to Jien Mining Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual) <input type="text"/>	Joint Shareholder 2 (Individual) <input type="text"/>	Joint Shareholder 3 (Individual) <input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

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



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

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

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

Votes on Items of Business - Proxy Appointment

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

Appointment of a Second Proxy

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

To appoint a second proxy you must:

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

Signing Instructions

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

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

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

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

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

Corporate Representatives

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

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (Brisbane time) on Tuesday, 4 November 2014**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



by mail:

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



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138.

If you would like to attend and vote at the General Meeting, please bring this form with you.
This will assist in registering your attendance.



Orion Metals Limited ACN 096 142 737
(ASX Code: ORM)

Orion Share Purchase Plan Offer Booklet

The Orion Share Purchase Plan provides eligible Orion shareholders with the opportunity to subscribe for up to \$15,000 worth of fully paid ordinary shares in Orion Metals Limited without incurring brokerage or other transaction costs.

The Offer closes at 5:00pm (Brisbane time) on Thursday 20 November 2014.

THIS IS AN IMPORTANT DOCUMENT

The Orion Share Purchase Plan does not take into account the individual investment objectives, financial situation or particular needs of each eligible shareholder. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the offer.

This is not a prospectus or other form of disclosure document under the Corporations Act.

1. Letter from the Chairman

7 October 2014

Dear Shareholder

Orion Share Purchase Plan Offer

On behalf of the Orion Metals Limited (**Orion**) board, I am pleased to offer you the opportunity to increase your holding in Orion by applying for ordinary shares under the Orion Share Purchase Plan (**SPP**). The SPP provides eligible Orion shareholders with the opportunity to subscribe for up to \$15,000 worth of fully paid ordinary shares in Orion (**SPP Shares**) without incurring brokerage or other transaction costs.

Placement

As announced on 19 September 2014, the two largest Orion shareholders, being Australia Conglin International Investment Group Pty Ltd (**ACIIG**) and Jien Mining Pty Ltd (**Jien**), have agreed to subscribe for further Orion ordinary shares (**Placement**) as follows:

- ACIIG – 41,035,000 Orion shares for \$0.02 per share, for an aggregate issue price of \$820,700; and
- Jien – 8,965,000 Orion shares for \$0.02 per share, for an aggregate issue price of \$179,300.

The issue of the shares under the Placement is subject to the approval of Orion shareholders at an Extraordinary General Meeting scheduled to be held on Thursday, 6 November 2014.

Funds raised through both the SPP and the Placement will be used by Orion to fund its current exploration and for general working capital purposes.

Price of SPP Shares

The issue price of Orion Shares under the SPP will be the lower of:

- \$0.015, being a 25% discount to Orion's closing share price on the ASX on 18 September 2014 (being the last trading day before details of the SPP were announced) and a 25% discount to the price offered to investors under the Placement; and
- a 5% discount to the volume weighted average price of Orion shares traded on the ASX over the 5 trading days prior to the day that the SPP Shares are to be issued.

How to Participate

Participation in the SPP is optional and is open to Orion shareholders who held Orion shares as at 7:00pm (Brisbane time) on 18 September 2014 and who have a registered address in Australia or New Zealand (**Eligible Shareholders**).

Eligible Shareholders have the opportunity to purchase up to \$15,000 worth of Orion shares. The minimum application is \$2,500. Applications under the SPP can only be made for a value of \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000.

The SPP will open on 10 October 2014. To apply for SPP Shares, Eligible Shareholders must complete and return their enclosed Application Form in accordance with the details on the form, together with a cheque, bank draft or money order drawn on an Australian bank in Australian dollars.

Application Forms must be received by Orion's share registry by no later than **5:00pm (Brisbane time)** on **20 November 2014**.

Accompanying this letter is a document explaining the terms and conditions of the SPP and how the SPP Shares will be issued should you decide to participate in the SPP. This should be read in its entirety before you decide whether to participate in the SPP.

The SPP does not take into account the individual investment objectives, financial situation or particular needs of each Eligible Shareholder. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the offer.

Thank you for your continued support of Orion.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Conglin Yue', written in a cursive style.

Conglin Yue
Chairman
Orion Metals Limited

2. Frequently Asked Questions

Set out below are answers to some key questions that you may have about the SPP. This table is qualified by and should be read in conjunction with the Terms and Conditions in section 3.

What is the offer?	The SPP provides Eligible Shareholders with the opportunity to subscribe for up to A\$15,000 worth Orion Shares without paying any brokerage or other charges.
Am I eligible to participate?	<p>You are eligible to participate if you fulfil the criteria set out in section 3.3 of the Terms and Conditions.</p> <p>You must have been a holder of Orion Shares at 7:00pm (Brisbane time) on 18 September 2014 and your registered address must be in Australia or New Zealand for you to be eligible to participate.</p> <p>If you are a nominee or custodian holding Orion Shares on behalf of one or more beneficial holders, you may also apply to purchase up to A\$15,000 worth of Orion Shares on behalf of each beneficial holder, subject to complying with the criteria set out in section 3.4 of the Terms and Conditions.</p>
Do I have to participate?	No, participation is optional.
Can I transfer my entitlement to participate?	No, you cannot transfer your right to purchase Orion Shares under the SPP to anyone else.
How do I apply?	To apply for shares under the SPP you must complete and return the enclosed Application Form together with a cheque or money order made payable to "Orion Metals Limited - SPP" as shown on the Application Form and described in section 3.17 of the Terms and Conditions.
How many shares will I receive?	<p>You may apply for a parcel of shares under the SPP with one of the application amounts set out in section 3.8 of the Terms and Conditions. The Offer price under the SPP will be the <u>lower of</u>:</p> <ul style="list-style-type: none">(a) \$0.015, being a 25 % discount to the closing price of Orion Shares on the ASX on 18 September 2014 (being the last trading day before details of the SPP were announced) and a 25% discount to the price offered to investors under the Placement; and(b) a 5% discount to the volume weighted average price of Orion Shares traded on the ASX over the 5 trading days prior to the day that the SPP Shares are to be issued <p>The directors of Orion reserve their right to scale back applications. If applications are scaled back excess funds will be returned to applicants without interest.</p>
When will I receive my shares?	SPP Shares are expected to be allotted on 27 November 2014. You should confirm your holding before trading any SPP Shares you have acquired under the SPP.

3. Terms and Conditions

3.1 SPP offer

Orion is pleased to provide Eligible Shareholders with the opportunity to participate in the Orion Metals Limited Share Purchase Plan (**SPP**) by subscribing for up to \$15,000 worth of Orion Shares without incurring brokerage or other transaction costs. Details of this offer and how to participate are set out below.

3.2 Key dates

EVENT	DATE
Record Date (the date that eligibility to participate in the SPP is determined)	7:00pm (AEST) on 18 September 2014
SPP offer opens	10 October 2014
Extraordinary general meeting to approve the Placement	6 November 2014
SPP offer closes	5:00pm (AEST) on 20 November 2014
Allotment of SPP Shares	27 November 2014
Dispatch of holding statements / refund advice (if applicable)*	28 November 2014

Orion reserves the right to vary these dates in its absolute discretion.

3.3 Are you an Eligible Shareholder

If you are registered as a holder of Orion Shares at 7:00pm (Brisbane time) on 18 September 2014 (**Record Date**) and your registered address is in Australia or New Zealand, you will be eligible to participate in the SPP and an **Eligible Shareholder UNLESS**:

- (a) you hold Orion shares on behalf of another person who resides outside Australia or New Zealand; or
- (b) you are in the United States or a "US Person" as defined in Regulation S under the US Securities Act of 1933, as amended (**US Securities Act**), or acting for the account or benefit of a US Person (**US Person**).

In accordance with relevant New Zealand securities law, a person who, on the Record Date was registered as a holder of Orion Shares with a New Zealand address but who, as at the time of this offer no longer holds Orion Shares, is not eligible to participate in the SPP.

Orion has determined that it is not practical for holders of Orion shares with registered addresses in other jurisdictions to participate in the SPP. To the extent that you hold shares on behalf of another person resident outside Australia and New Zealand, it is your responsibility to ensure that any acceptance complies with all applicable foreign laws.

The Orion Shares to be issued under the SPP have not been and will not be registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. In order to comply with relevant securities laws, the shares to be issued under this SPP may not be offered to shareholders located in the United States (as defined in Regulation S under the US Securities Act) or to shareholders who are, or who are acting for the account or benefit of, US Persons.

Because of these legal restrictions, you must not send copies of these Terms and Conditions or any other material relating to the SPP to any person resident in the United States or who is, or is acting for the account or benefit of, one or more US Persons.

3.4 Participation by Eligible Shareholders

Single Holders

If you are the only registered holder of a holding of Orion Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply for **one maximum parcel** of SPP Shares.

Joint Holders

If you are recorded with one or more other persons as the joint holder of a holding of Orion Shares, that joint holding is considered to be a single registered holding for the purpose of the SPP, and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple registered holdings, the joint holders may only apply for **one maximum parcel** of SPP Shares.

Custodians and Downstream Custodians

If you are a custodian within the definition of "custodian" in ASIC Class Order [CO 09/425] (**Custodian**) and hold Orion Shares on behalf of one or more persons (each a **Participating Beneficiary**), or on behalf of a "downstream custodian" within the definition of ASIC Class Order [CO 09/425] who holds the beneficial interest in Orion shares on behalf of a Participating Beneficiary, you may apply for up to a maximum of \$15,000 worth of SPP Shares for each Participating Beneficiary, subject to providing a notice **in writing** to Orion certifying the matters set out in paragraph 9 of ASIC Class Order [CO 09/425] (the **Custodian Certificate**).

Custodians should request a pro forma Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodians Certificate, and if you would like further information on how to apply, please contact Orion on (07) 3020 0000 during office hours of 9:00am to 5:00pm (Brisbane time).

3.5 Participation is optional

Participation in the SPP is entirely optional (subject to the eligibility criteria set out above). The offer to acquire SPP Shares is not a recommendation. If you are in any doubt about the SPP, or as to whether you should participate in the SPP or how participation will affect you, you should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept this offer.

3.6 Risks associated with participating in the SPP

You should note that Orion's Share price may rise or fall between the date of this Offer and the date when SPP Shares are allotted and issued to you under the SPP. This means that the price you pay per SPP Share pursuant to this Offer may be either higher or lower than Orion's Share price at the time of the Offer or at the time the SPP Shares are issued and allotted to you under the SPP.

Orion recommends that you monitor the Orion Share price and any Orion announcements, which can be found on Orion's website at www.orionmetals.com.au or on the ASX website at www.asx.com.au (ASX code: ORM).

3.7 **Offer price**

Under the SPP, the Offer price of the SPP Shares will be the lower of:

- (a) \$0.015, being a 25% discount to the closing price of Orion Shares on the ASX on 18 September 2014 (being the last trading day before details of the SPP were announced) and a 25% discount to the price offered to investors under the Placement; and
- (b) a 5% discount to the volume weighted average price of Orion Shares traded on the ASX over the 5 trading days prior to the day that the SPP Shares are to be issued.

Orion will announce the issue price of SPP Shares to the ASX as soon as practicable after its determination. Holding statements containing details of the number of SPP Shares issued to you and the issue price for SPP Shares will be despatched on or around 28 November 2014

3.8 **How much can you invest**

The Offer needs to comply with the conditions of ASIC Class Order [CO 09/425]. Under that class order, Eligible Shareholders may only acquire up to a maximum of \$15,000 worth of Orion Shares under a share purchase plan or similar plan in any 12 month period (except in certain circumstances described in section 3.4 above).

This limitation applies, for example, even if you receive more than one Application Form or if you hold Orion Shares in more than one capacity, for example, if you are both a sole and joint holder of Orion Shares. Please refer to the information in section 3.4 above.

Orion reserves the right, and in certain circumstances may be required by ASIC Class Order [CO 09/425] or other conditions, to reject any application for SPP Shares under the SPP to the extent it considers, or is reasonably satisfied, that the application (whether alone or in conjunction with other applications) does not comply with these requirements.

Under the SPP, you may subscribe for SPP Shares for an amount equal to:

- (a) \$2,500;
- (b) \$5,000;
- (c) \$7,500;
- (d) \$10,000;
- (e) \$12,500; or
- (f) \$15,000.

3.9 **Applications may be scaled back**

Orion reserves an absolute discretion regarding the amount raised under the SPP, including the right to scale back applications. If there is a scale back, you may receive less than the parcel of SPP Shares for which you have applied. If a scale back produces a fractional number when applied to the parcel of SPP Shares you applied for, the number of SPP Shares you will be allotted will be rounded up to the nearest whole number (if the fraction is 0.5 or greater) or rounded down to the nearest whole number (if the fraction is less than 0.5).

In the event of a scale back the difference between the application monies received, and the number of SPP Shares allocated to you multiplied by the offer price, will be refunded to you, without interest payable to you, as soon as practicable following allotment.

3.10 **How will application monies be refunded**

Any application monies refunded by Orion under a scale back will be paid by cheque in Australian currency, on the date that holding statements are dispatched under the SPP, expected to be

28 November 2014. By applying for SPP Shares, each shareholder authorises Orion to pay any monies to be refunded by using the payment instructions of the shareholder recorded in Orion's share registry's records, if Orion should elect to pay in this manner.

3.11 **Calculation of the number of SPP Shares to be issued to you**

In the absence of a scale back, and subject to the treatment of non-compliant applications described in section 3.18 below, the number of SPP Shares to be issued to you will be calculated by dividing the aggregate application money that you pay in applying for SPP Shares by the offer price, then rounding up to the nearest whole number (where you have a fractional entitlement to a SPP Share which is 0.5 or greater) or rounding down to the nearest whole number (where you have a fractional entitlement to a SPP Share which is less than 0.5).

3.12 **Non-renounceable offer**

The offer to subscribe for SPP Shares under the SPP is non-renounceable. This means that you cannot transfer your right to subscribe for SPP Shares under the offer to anyone else.

3.13 **No other participation costs**

No brokerage, commission or other participation costs are payable by you to Orion in respect of the acquisition of SPP Shares under the SPP.

3.14 **Ranking of SPP Shares**

All SPP Shares issued under the SPP will rank equally with existing Orion Shares from the date of issue, and therefore will carry the same voting rights, dividend rights and other entitlements as existing Orion Shares.

3.15 **Class Order [CO 09/425] compliance**

This offer of SPP Shares under the SPP is made in accordance with the requirements of ASIC Class Order [CO 09/425]. That Class Order grants relief from the requirement to prepare a prospectus for the Offer of Orion Shares under the SPP.

3.16 **Binding terms**

By accepting the offer to purchase SPP Shares under the SPP, you agree to be bound by these Terms and Conditions and Orion's constitution.

3.17 **How to apply**

If you are an Eligible Shareholder and would like to apply for SPP Shares under the SPP you must complete the enclosed Application Form and return it together with a cheque, bank draft or money order made payable to "Orion Metals Limited - SPP" drawn on an Australian bank and in Australian dollars for the correct amount, in the enclosed reply-paid envelope so that it is received prior to the close of the offer at **5:00pm (Brisbane time)** on 20 November 2014 at:

Orion Metals Limited
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

YOUR REPRESENTATION

By completing and submitting the Application Form (together with a cheque, bank draft or money order), **you represent and certify** that the aggregate of the application price paid by you for:

- the SPP Shares the subject of your Application Form;

- any other SPP Shares applied for by you under the SPP or any other Orion shares under a similar share purchase plan arrangement operated by Orion in the 12 months prior to the date of submission of the Application Form;
 - any other SPP Shares which you have instructed a Custodian to acquire on your behalf under the SPP; and
 - any other Orion Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian or another custodian to apply for shares on your behalf under an arrangement similar to the SPP, and which resulted in you holding the beneficial interest in those shares,
- does not exceed \$15,000, unless you are applying as a Custodian for one or more Participating Beneficiaries and have provided Orion with the Custodian Certificate referred to under "Participation by Eligible Shareholders" above.

3.18 **General application terms**

Do not forward cash. Receipts for payment will not be issued.

Applications may only be made for parcels of SPP Shares in the amounts of \$2,500, \$5,000, \$7,500, \$10,000, \$12,500 or \$15,000. If the amount of the payment tendered with your Application Form is:

- (a) less than \$2,500 - Orion will not allot any SPP Shares to you and will refund your application money to you, without interest payable to you;
- (b) greater than \$15,000 - subject to scale back, Orion will allot the maximum number of SPP Shares to you and will refund the excess application money to you, without interest payable to you; or
- (c) for an amount between \$2,500 - \$5,000, \$5,000 - \$7,500, \$7,500 - \$10,000, \$10,000 - \$12,500 or \$12,500 - \$15,000 - subject to scale back, Orion will allot to you the number of SPP Shares that would have been allotted had you applied for \$2,500, \$5,000, \$7,500, \$10,000 or \$12,500 of SPP Shares respectively, and will refund the excess application money to you, without interest payable to you.

Application Forms must be received by Orion's share registry by **no later than 5:00pm (Brisbane time)** on 20 November 2014. Application Forms received after that time will not be accepted.

Application Forms under the SPP may not be withdrawn once they have been received by Orion. No interest will be payable on application money held by Orion.

Please read the enclosed Application Form for further details of how to apply for SPP Shares under the SPP.

3.19 **Representations regarding eligibility and other jurisdictions**

If you apply to participate in the SPP by completing or returning an Application Form, **you represent** on your own behalf and on behalf of each person on whose account you are acting that:

- (a) you are an Eligible Shareholder;
- (b) you acknowledge that the SPP Shares have not, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, SPP Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws; and

- (c) you have not, and will not, send any materials relating to the SPP to any person in the United States or that is, or is acting for the account or benefit of, a US Person.

3.20 **Allotment and quotation dates**

SPP Shares are expected to be allotted under the SPP on 27 November 2014 and Orion will apply for those SPP Shares to be listed for quotation on ASX on 27 November 2014.

Orion's share registry expects to dispatch a holding statement or confirmation advice in respect of the SPP Shares allotted to you under the SPP on or about 28 November 2014. You should confirm your holding before trading in any SPP Shares you believe have been allotted to you under the SPP.

3.21 **Underwriting**

The SPP will not be underwritten.

3.22 **Withdrawal, suspension, termination, anomalies and disputes**

Orion reserves the right to waive strict compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all Eligible Shareholders even where Orion does not notify you of that event.

Orion may make determinations in any manner it thinks fit, including in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any participant or application. Any determination by Orion will be conclusive and binding on all Eligible Shareholders and other persons to whom the determination relates.

Orion's rights may be exercised by the Board or any delegate of the Board.

3.23 **GOVERNING LAW**

This offer is governed by the law in force in Queensland. By accepting this offer, you submit to the non-exclusive jurisdiction of the courts of Queensland.

3.24 **Definitions**

In this document the following terms have these meanings:

ACIIG	Australia Conglin International Investment Group Pty Ltd ACN 133 767 665.
Application Form	The application form which accompanies this Offer.
Approved Jurisdiction	Australia and New Zealand.
ASIC	The Australian Securities & Investments Commission.
ASX	ASX Limited or the Australian Securities Exchange, as the context requires.
Board	The board of directors of Orion.
Class Order	ASIC class order [CO 09/425].
Corporations Act	<i>Corporations Act 2001</i> (Cth).

Custodian	Has the meaning given to that term in the Class Order.
Eligible Shareholder	A person who is eligible to participate in the Offer in accordance with section 3.3 of the Terms and Conditions.
Jien	Jien Mining Pty Ltd ACN 110 986 797.
Orion	Orion Metals Limited ACN 096 142 737.
Orion Shares	Fully paid ordinary shares in Orion.
Placement	<p>The proposed issue of Orion Shares to Orion's two largest shareholders as announced to the ASX on 19 September 2014, being as follows:</p> <p>ACIIG – 41,035,000 Orion Shares for \$0.02 per share; and</p> <p>Jien – 8,965,000 Orion Shares for \$0.02 per share,</p> <p>which issue of Orion Shares is subject to the approval of Orion shareholders at an Extraordinary General Meeting scheduled to be held on 6 November 2014.</p>
Record Date	7:00pm (Brisbane time) on 18 September 2014.
SPP or Offer	The offer of SPP Shares made to Eligible Shareholders under this document.
SPP Shares	The Orion Shares offered under this Offer.
Terms and Conditions	The terms and conditions of the Offer set out in section 3 of this document.
US Person	Has the meaning given to that term in Regulation S under the US Securities Act.
US Securities Act	<i>US Securities Act of 1933.</i>

SRN/HIN:

Entitlement Number:

Record Date: 18 September 2014

Offer Opens: 10 October 2014

Offer Closes
5:00pm (Brisbane time):20 November 2014

SHARE PURCHASE PLAN (“SPP”) APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT DETAILS

Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- A. Tick the box beside the amount you wish to apply for, either A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500 or A\$15,000.
- B. Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to “Orion Metals Limited – SPP” and crossed “Not Negotiable”. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$2,500, A\$5,000, A\$7,500, A\$10,000, A\$12,500 or A\$15,000, Orion Metals Limited may round down the dollar amount of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of \$2,500.
- C. Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.



Please detach and enclose with payment

SRN/HIN:

Entitlement Number:



A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

A\$2,500 OR
 A\$5,000 OR
 A\$7,500 OR
 A\$10,000 OR
 A\$12,500 OR
 A\$15,000

B Make your cheque, bank draft or money order payable to “Orion Metals Limited – SPP” and crossed “Not Negotiable”

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$.00

C Telephone Number – Business Hours Telephone Number – After Hours Contact Name

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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Orion Metals Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order), you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip does not exceed A\$15,000.
7. Orion Metals Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Orion Metals Limited may scaleback applications in its discretion.

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf.

Mailing Address

Orion Metals Limited
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

or

Hand Delivery

Orion Metals Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (Brisbane time) on 20 November 2014. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Orion Metals Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require further information on how to complete this Application Form please contact Orion Metals Limited on +61 7 3020 0000 during office hours of 9:00am to 5:00pm (Brisbane time).