

**ORION METALS LIMITED
ACN 096 142 737**

NOTICE OF ANNUAL GENERAL MEETING

incorporating

EXPLANATORY MEMORANDUM

and

PROXY FORM

Date of meeting: 21 July 2016
Time of meeting: 11:00am (Brisbane Time)
Place of meeting: BDO
Level 10
12 Creek Street
Brisbane
Queensland

ORION METALS LIMITED
ACN 096 142 737

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2016 Annual General Meeting of the Shareholders of Orion Metals Limited (**Company**) will be held at 11:00am (Brisbane time) on 21 July 2016 at the offices of BDO, Level 10, 12 Creek 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 to the Explanatory Memorandum.

ORDINARY BUSINESS

1. Annual Financial Report

To receive and consider the Annual Financial Report of the Company and the reports of the Directors and Auditors for the year ended 29 February 2016.

2. Resolution 1 – Remuneration Report for the Financial Year ended 29 February 2016

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

“That, for the purposes of section 250R of the Corporations Act, the Remuneration Report for the year ended 29 February 2016 be adopted.”

Please note that the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- (1) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (2) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 if:

- (1) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (2) it is cast by the Chairman of the meeting and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3. Resolution 2 – Re-election of Yanchun Wang as a Director

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

“That Yanchun Wang, who retires by rotation in accordance with Rule 39.1 of the Constitution of the Company and Listing Rule 14.4, being eligible for re-election, be re-elected as a Director of the Company.”

4. Resolution 3 – Approval of the issue of Shares to Excellence Holding HK Ltd.

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

“That for the purposes of item 7 of section 611 of the Corporations Act and for all other purposes, the following share issues to be approved:

- (a) 180,000,000 new fully paid ordinary shares in the capital of the Company for A\$0.005 each; and

- (b) *up-to 200,000,000 new fully paid ordinary shares in the capital of the Company as a result of the conversion of options,*

each to Excellence Holding HK Ltd. on the terms set out in the Explanatory Memorandum.

Voting Exclusion Statement

For the purposes of Item 7 of section 611 of the Corporations Act, Excellence Holdings and any of its associates (as defined in the Corporations Act) will not be entitled to cast votes in favour of Resolution 3.

However, the Company need not disregard a vote if:

- (1) 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
- (2) 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.

5. Resolution 4 – Approval of the prior issue of Shares to Excellence Holding HK Ltd. to refresh 15% placement capacity

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

"That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, approval is given for the prior issue of 20,000,000 fully paid ordinary shares in the capital of the Company on the terms set out in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.4, Excellence Holdings and any of its associates (as defined in the Corporations Act) will not be entitled to cast votes in favour of Resolution 4.

However, the Company need not disregard a vote if:

- (1) 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
- (2) 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.

6. Resolution 5 – Approval of 10% placement capacity increase

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of ASX Listing Rule 7.1A, and for all other purposes, approval is given for the Company to have the additional capacity to issue equity securities in the capital of the Company, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2, and on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

For the purposes of ASX Listing Rule 7.1A, a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder or ordinary securities, if the resolution is passed, and any associates (as defined in the Corporations Act) of those persons, will not be entitled to cast votes in favour of Resolution 5.

However, the Company need not disregard a vote if:

- (1) 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
- (2) 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.

The Explanatory Memorandum which accompanies and forms part of this Notice of Meeting describes in more detail the matters to be considered. Shareholders should read the Explanatory Memorandum in full.

OTHER BUSINESS

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

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT GENERAL MEETING

A reasonable opportunity will be given to Shareholders as a whole at the Meeting to ask questions about or make comments on the Remuneration Report and the management of the Company and to ask the auditors or their representative questions relevant to the conduct of the audit, the preparation and content of their report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and their independence in relation to the conduct of the audit.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Bill Lyne', with a long horizontal flourish extending to the right.

Bill Lyne
Company Secretary
Dated: 20 June 2016

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 7:00pm (Brisbane time) on 19 July 2016. 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 19 July 2016).

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 all Resolutions. **If you do not direct the Chairman how to vote on Resolution 1, you expressly authorise the Chairman to exercise your proxy on Resolution 1 even though it is connected directly or indirectly with the remuneration of a member of Key Management Personnel, which includes the Chairman.**

If you appoint the Chairman of the Meeting as your proxy and wish to direct the Chairman how to vote on some or all of the Resolutions 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 21 July 2016 at the offices of BDO, Level 10, 12 Creek Street, Brisbane, Queensland.

This Explanatory Memorandum comprises part of the accompanying Notice of Meeting. Capitalised terms are defined in the "Definitions" section at the end of this Explanatory Memorandum.

Details of the business to be considered at this Meeting are 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.

1. Annual Financial Report

The first item on the Notice of Meeting deals with the presentation of the Company's Annual Financial Report for the financial year ending 29 February 2016. Shareholders should consider this document and raise any matters of interest with the Directors when this item is being considered.

The Company's Annual Financial Report for the year ended 29 February 2016 is available on the Company's website at www.orionmetals.com.au.

No resolution is required to be moved in respect of this item.

2. Resolution 1: Remuneration Report for the Year ending 29 February 2016

During this item of business, Shareholders at the meeting may comment on and ask questions about the Remuneration Report that appears in the Company's 2016 Annual Report.

Section 300A of the Corporations Act requires the Directors' Report to include a remuneration report containing information about the Board's policy for determining the nature and amount of the remuneration of directors and senior management. The report must also explain the relationship between the remuneration policy and the Company's performance. The disclosure requirements stipulated in section 300A of the Corporations Act have been complied with.

The Corporations Act (sections 250R (2) and 250R (3)) provides that the vote on the adoption of the Remuneration Report is advisory only and does not bind the Directors or the Company.

3. Resolution 2: Re-election of Director – Yanchun Wang

Ms Yanchun Wang was appointed as a Non-Executive Director on 3 August 2012 as a nominee of Australia Conglin International Investment Group Pty Ltd (**ACIIG**), being a major shareholder of the Company.

Rule 39.1 of the Company's Constitution and ASX Listing Rule 14.4 require that Directors must not hold office for in excess of 3 years or past the third annual general meeting following the director's appointment, whichever is the longer, without resubmitting for re-election. In addition, ASX Listing Rule 14.5 requires that there must be an election of directors each year. Retiring Directors may immediately offer themselves up for re-election. Ms Wang retires by rotation and, being eligible, offers herself for re-election.

Ms Wang is the wife of the Company's Chairman & CEO, Conglin Yue. She acts as a strategic investor for a number of Chinese based companies. Ms Wang is a Vice Chairman of Conglin Baoyuan International Investment Group and also a Director of Huachen.

She is also a Director of ASX-listed Northern Minerals Limited, in which ACIIG is the largest shareholder.

Recommendation of Directors

The Directors (other than Ms Wang) unanimously recommend that Shareholders vote in favour of Resolution 2.

4. Background to the Funding Transaction (and Resolutions 3 and 4)

4.1 General

On 18 April 2016, the Company announced that it had entered into an investment agreement with Excellence Holdings (**Investment Agreement**).

Under the terms of the Investment Agreement, the Company agreed to issue to Excellence Holdings:

- (1) 20,000,000 Shares for an issue price of \$0.005 each (**Initial Shares**);
- (2) a further 180,000,000 Shares for an issue price of \$0.005 each (**Further Shares**); and
- (3) 200,000,000 attaching options issued for no additional consideration, convertible into Shares with an exercise price of \$0.005 each (**Options**) – the terms of the Options are set out in Schedule 3,

(together, the **Funding Transaction**).

The issue of the Initial Shares was not conditional on Shareholder approval and occurred on 22 April 2016.

The issue of the Further Shares and Options is conditional on the approval of the Shareholders under Resolution 3.

On 27 May 2016 the Company entered into a Loan Agreement with Excellence Holdings (**Loan Agreement**), under which Excellence Holdings agreed to loan to the Company \$200,000 (**Loan Amount**) on the following terms:

- (1) the Loan Amount is to be advanced to the Company on or before 24 June 2016;
- (2) interest will accrue on the Loan Amount from 1 August 2016 at a rate of 8% per annum, if the Loan Amount has not been repaid in full by that date; and
- (3) the Loan Amount is repayable on or before 15 June 2017, except that:
 - (a) if the Company raises equity funding before the Loan Amount has been repaid, such funds must be used to repay the Loan Amount; and
 - (b) if Resolution 3 is approved, the Loan Amount will be repaid by way of a part set-off of the monies due by Excellence Holdings for the issue of the Further Shares.

The Loan Amount is to be used by the Company for general working purposes.

4.2 Nomination of Directors

Under the Investment Agreement, Excellence Holdings has the right, subject to completion of the issue of the Further Shares and Options, to nominate to the Board at least three Directors.

Excellence Holdings is yet to confirm to the Company whether it intends to nominate persons to the Board should Shareholders approve Resolution 3.

4.3 Details on Excellence Holdings

Excellence Holdings is an investment holding company established in Hong Kong. The shareholders and directors of the company are Mr Yang, Yi and Mr Wu, Feng.

Mr Yang, PHD of Philosophy, was previously a government officer in the Central China Government and is a director of numerous enterprises in China and has many years' experience as a fund manager.

Mr Wu, Feng, PHD of Law was previously a Prosecutor of the Supreme People Procuratorate of China. He founded a law practice in China in 2000 and provides services for Chinese state owned enterprises and large enterprises. He is director of several companies in China as is also Chairman of China Electronics Ruida Tech Co, which is a subsidiary of China Electronics Corporation, the largest Chinese state owned IT enterprise and a global top 500 IT enterprise.

4.4 Purpose of the Funding Transaction

Under the Funding Transaction, and subject to the approval of Resolution 3, the Company will receive total funding of \$1,000,000 and will receive up-to an additional \$1,000,000 on the exercise of the Options. The funding received will be used for general working capital purposes.

Without the receipt of funding under the Funding Transaction, the Company is unlikely to have funding available to meet commitments beyond the immediate future.

4.5 Consideration of alternative funding options and proposals

The Company has considered many other potential alternative sources of capital (including third party investment proposals and capital raisings from existing Shareholders), and the Directors consider that the entry into the Investment Agreement represents the most appropriate means of capital raising in the current capital markets.

4.6 Capital structure following the Funding Transaction

The capital structure of the Company following completion of the Funding Transaction is set out in Schedule 2 to this Explanatory Memorandum.

4.7 Dilution as a result of the Funding Transaction

Assuming that Shareholders approve Resolution 3, the effect of the issue of all securities under the Funding Transaction on the capital structure of the Company is as follows:

| Security | Number | % Change |
|---------------------------------------------------------------------------------------------------|-------------|----------|
| Shares on issue as at the date of this Notice of Meeting <i>(including the Initial Shares)</i> | 165,097,443 | N/A |
| Issue of Further Shares | 180,000,000 | 109.03% |
| Shares to be issued pursuant to the Options <i>(Assuming exercise of 100% of the Options)</i> | 200,000,000 | 121.14% |
| Total Shares to be issued <i>(Assuming exercise of 100% of the Options)</i> | 380,000,000 | 230.17% |

| Security | Number | % Change |
|-------------------------------------------------------------------------------------------------------------------|-------------|----------|
| Total Shares following completion of the Funding Transaction <i>(Assuming exercise of 100% of the Options)</i> | 545,097,443 | |

5. Resolution 3: Approval of issue of Shares to Excellence Holdings

Resolution 3 seeks Shareholder approval under Item 7 of section 611 of the Corporations Act for the issue of the Further Shares and Shares to be issued as a result of the exercise of the Options to be issued to Excellence Holdings.

5.1 Requirement for approval

Unless an exception applies, section 606(1) of the Corporations Act prohibits a person from acquiring shares in a company if, after that acquisition, that person or any other person would have a relevant interest or voting power in excess of 20% of the voting shares in that company.

Item 7 of Section 611 provides that section 606(1) of the Corporations Act does not apply to an acquisition of a relevant interest in the voting shares of a company if the company has agreed to the acquisition by resolution passed at a general meeting to which no votes are cast in relation to the resolution by the person to whom the shares are to be issued or by an associate of that person.

The issue of the Further Shares (and Shares to be issued on exercise of the Options) will result in Excellence Holdings having a relevant interest in aggregate of more than 20% of the voting shares in the Company (as further set out in the first table in section 5.2 below).

Accordingly, the Company is seeking the approval of Shareholders under Item 7 of Section 611 of the Corporations Act for the issue of the Further Shares and the Shares to be issued on exercise of the Options.

5.2 Information required by Item 7 of Section 611 of the Corporations Act and ASIC Regulatory Guide 74

In accordance with Item 7 of section 611 of the Corporations Act and 'ASIC Regulatory Guide 74 – Acquisitions approved by members' (**Regulatory Guide 74**) the following information is provided to Shareholders.

Identity of person who will hold a relevant interest in the securities to be issued

The identity of the person proposing to subscribe for the Further Shares and the Shares to be issued on exercise of the Options is Excellence Holding HK Ltd., which company is further described in section 4.3.

The maximum extent of the increase in the voting power of Excellence Holdings that would result following the approval of Resolution 3

The maximum increase in the voting power of Excellence Holdings that would result following the approval of Resolution 3 is an increase in voting power from 12.12% to 73.39%.

The above calculation assumes that Excellence Holdings exercises 100% of the Options.

The voting power that Excellence Holdings would have as a result of the approval of Resolution 3

As at the date of the Notice of Meeting, Excellence Holdings has a relevant interest in 20,000,000 Shares and its voting power is 12.12%.

Following the issue of the Further Shares, Excellence Holdings will have a relevant interest in 200,000,000 Shares and its voting power will be 57.96%.

Following the issue of the Further Shares, and following the issue of Shares as a result of the exercise of the Options (assuming exercise of 100% of the Options), Excellence Holdings will have a relevant interest in 400,000,000 Shares and its voting power will be 73.39%.

The following table sets out in further detail the voting power of Excellence Holdings and the potential effect of the approval of Resolution 3 on the voting power of Excellence Holdings. The extent of control ultimately acquired by Excellence Holdings as a result of the issue of the Further Shares and Options will depend on the extent to which it exercises the Options.

| Event/Date | Aggregate number of Shares in which Excellence Holdings has a relevant interest | Voting Power |
|---------------------------------------------------------|---------------------------------------------------------------------------------|--------------|
| As at the date of the Notice of Meeting | 20,000,0000 | 12.12% |
| Issue of the Further Shares | 200,000,000 | 57.96% |
| After issue of Options, and assuming 0% exercise rate | 200,000,000 | 57.96% |
| After issue of Options, and assuming 25% exercise rate | 250,000,000 | 63.28% |
| After issue of Options, and assuming 50% exercise rate | 300,000,000 | 67.40% |
| After issue of Options, and assuming 75% exercise rate | 350,000,000 | 70.70% |
| After issue of Options, and assuming 100% exercise rate | 400,000,000 | 73.39% |

The maximum extent of the increase in the voting power of each of the associates of Excellence Holdings that would result following the approval of Resolution 3

Excellence Holdings has informed the Company that none of its associates holds a relevant interest in Shares except as a result of the relevant interests held directly by Excellence Holdings.

Accordingly, the maximum extent of the increase in the voting power of each of the associates of Excellence Holdings that would result following the approval of Resolution 3 are as set out in the section above titled '*The maximum extent of the increase in the voting power of Excellence Holdings that would result following the approval of Resolution 3*'.

The voting power that each of the associates of Excellence Holdings would have as a result of the approval of Resolution 3

The voting power of each of the associates of Excellence Holdings that would result following the approval of Resolution 3 are as set out in the section above titled '*The voting power that Excellence Holdings would have as a result of the approval of Resolution 3*'.

Excellence Holdings intentions as to the future of the Company

Excellence Holdings has confirmed to the Company that its present intentions should Resolution 3 be approved are as follows:

- (1) to maintain the Company's ongoing business and operations;
- (2) to review the Company's assets and consider the development potential of the assets;
- (3) to consider investment opportunities, including the acquisition of assets;

- (4) to review the Company's work plans and funding requirements to determine if any additional capital may be required;
- (5) there are no present intentions with respect to the future employment of present employees of the Company;
- (6) there are no current proposals whereby any property will be transferred between the Company and Excellence Holdings or any person associated with the Company or Excellence Holdings;
- (7) there is no present intention to change the business of the Company, or to otherwise redeploy the fixed assets of the Company; and
- (8) there is no present intention to change the financial or dividend policies of the Company.

Recent Share price information

The issue price of the Further Shares of \$0.005 represents a:

- (1) 62.5% discount to the volume weighted average price of the Company's Shares on the ASX over the 12 month period prior to the Announcement Date;
- (2) 67.7% discount to the volume weighted average price of the Company's Shares on the ASX over the 6 month period prior to the Announcement Date;
- (3) 68.7% discount to the volume weighted average price of the Company's Shares on the ASX over the 3 month period prior to the Announcement Date; and
- (4) 70.8% discount to the volume weighted average price of the Company's Shares on the ASX over the 1 month period prior to the Announcement Date.

Pro forma balance sheet

Set out below is a "pro forma" balance sheet of the Company as at 31 May 2016 assuming the following:

- (1) completion of the issue of the Further Shares to raise \$900,000;
- (2) the exercise of 100% of the Options to raise \$1,000,000; and
- (3) costs associated with the Funding Transaction of \$10,000 are incurred.

| | Proforma Accounts | 31 May 2016 Management Accounts | 29 February 2016 Audited Accounts |
|-----------------------------------|--------------------------|------------------------------------------------|--------------------------------------------------|
| Cash and cash equivalents | 1,982,176 | 92,176 | 114,791 |
| Trade and other receivables | 0 | 0 | 6,777 |
| Other assets | 0 | 0 | 5,578 |
| Total Current Assets | 1,982,176 | 92,176 | 127,146 |
| Non-Current Assets | | | |
| Exploration and evaluation assets | 1,904,860 | 1,904,860 | 1,904,860 |
| Total Non-Current assets | 1,904,860 | 1,904,860 | 1,904,860 |
| TOTAL ASSETS | 3,887,036 | 1,997,036 | 2,032,006 |
| Current Liabilities | | | |

| | Proforma Accounts | 31 May 2016 Management Accounts | 29 February 2016 Audited Accounts |
|----------------------------------|-------------------|---------------------------------------|-----------------------------------------|
| Trade and other payables | 148,000 | 148,000 | 199,945 |
| Employee benefits | 12,640 | 12,640 | 50,561 |
| Total Current Liabilities | 160,640 | 160,640 | 250,506 |
| TOTAL LIABILITIES | 160,640 | 160,640 | 250,506 |
| Net Assets | 3,726,396 | 1,836,396 | 1,781,500 |
| Equity | | | |
| Issued capital | 15,568,283 | 13,668,283 | 13,568,283 |
| Reserves | 467,838 | 467,838 | 467,838 |
| Accumulated losses | (12,309,725) | (12,309,517) | (12,254,621) |
| Total equity | 3,726,396 | 1,826,604 | 1,781,500 |

Advantages and disadvantages of approval of Resolution 3

The key advantages in approving Resolution 3 are that:

- (1) the Company will receive immediate funding of an additional \$900,000 under the Funding Transaction (less repayment of the \$200,000 advanced under the Loan Agreement), and up-to a further \$1,000,000 if the Options are exercised, which enables the Company to continue in operation; and
- (2) the Company will be able to meet commitments beyond the immediate future and will not be required to consider a winding up, which the Directors consider to otherwise be a high risk.

The key disadvantages in approving Resolution 3 are as follows:

- (1) the issue price of Shares under the Funding Transaction being \$0.005 is substantially below recent trading prices of Shares on the ASX – see above section titled 'Recent Share price information' for further detail;
- (2) the current Shareholders interests in the Company will be diluted significantly – see section 4.7 and Schedule 2 for further detail;
- (3) the Company will be controlled by Excellence Holdings; and
- (4) although the Directors do not consider this to be the case, the Shareholders could potentially receive a better outcome under a winding up scenario, which would rely on the Company receiving a certain level of funds from the liquidation of its assets.

Voting intentions of major Shareholders

Mr Conglin Yue and ACIIG have confirmed to the Company that it is their current intention to vote in favour of Resolution 3 in the absence of a superior proposal.

As Mr Conglin Yue and ACIIG control between them approximately 72% of the available votes on the resolution, if such persons vote in favour of Resolution 3, the resolution will be approved.

Independent expert's report

In accordance with Regulatory Guide 74, the Company would ordinarily be required to provide Shareholders with an independent expert's report or a detailed directors' report on the Proposed Transaction in order to satisfy its obligation to disclose all material information on how to vote on Resolution 3, which report would, among other things, provide an opinion as to whether the proposal is fair and reasonable to Shareholders.

Regulatory Guide 74 further provides that a resolution approved by Shareholders without the benefit of such a report may still be valid where Shareholders' interests may be materially damaged by the delay or expense involved in obtaining such a report, with an example being where the delay or expense would be likely to force the entity into immediate liquidation.

The Directors are of the view that the Company does not have sufficient available funds to procure the preparation of an independent expert's report, and further that Shareholders' interests would be materially damaged as a result of the delay and expense likely involved in obtaining such a report, which delay and expense could potentially force the Company into liquidation.

The Directors are also aware that the outcome of Resolution 3 will be dependent on how the major Shareholders, Mr Conglin Yue and ACIIG vote on the resolution, as they control approximately 72% of the available votes that may be cast on the resolution.

Mr Conglin Yue and ACIIG have confirmed to the Company that they are not associates of Excellence Holdings and Excellence Holdings has confirmed to the Company that none of its associates holds a relevant interest in Shares except as a result of the relevant interests held directly by Excellence Holdings.

5.3 Approval not required under ASX Listing Rule 7.1

Approval under ASX Listing Rule 7.1 for the issue of the Shares proposed under Resolution 3 is not required as a result of exception 16 of ASX Listing Rule 7.2, which provides that approval is not required if approval is sought under Item 7 of section 611 of the Corporations Act.

5.4 Directors' Recommendation

All of the Directors consider that Resolution 3 is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 3.

6. Resolution 4 – Approval of prior issue of Shares to Excellence Holdings to refresh 15% placement capacity

ASX Listing Rule 7.1 prohibits a listed entity from issuing or agreeing to issue equity securities in any 12 month period which amount to more than 15% of its ordinary securities, unless one of the exceptions to ASX Listing Rule 7.1 applies or security holder approval is obtained.

ASX Listing Rule 7.4 provides that an issue of securities made without approval under 7.1 is treated as having been made with approval for the purposes of ASX Listing Rule 7.1 if each of the following applies:

- (1) the issue did not breach ASX Listing Rule 7.1 (ASX Listing Rule 7.4.1); and
- (2) holders of ordinary securities subsequently approve it (ASX Listing Rule 7.4.2).

Under Resolution 4, the Company seeks from Shareholders ratification of the prior issue of Shares to Excellence Holdings so as to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of securities over the next 12 months.

If approval is not obtained for the prior issue of Shares this will not have any effect on the issue but will reduce the capacity of the Company to issue further securities without Shareholder approval pursuant to ASX Listing Rule 7.1.

Details of the share issue as required under ASX Listing Rule 7.5 are as follows:

| Date of issue | Number of Securities | Terms of securities | Issue price (per security) | Allottee | Use of funds raised |
|---------------|----------------------|-----------------------------|----------------------------|----------------------------|-------------------------|
| 22 April 2016 | 20,000,000 | Fully paid, ordinary shares | \$0.005 | Excellence Holding HK Ltd. | General working capital |

Recommendation of Directors

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

7. Resolution 5 – Approval of 10% placement capacity

7.1 Overview of resolution

ASX Listing Rule 7.1A enables eligible entities to have an additional 10% capacity to issue equity securities through placements over a 12 month period after its annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's ability to issue equity securities up to 15% of its issued share capital under ASX Listing Rule 7.1 (**15% Placement Facility**).

For the purposes of ASX Listing Rule 7.1A, an eligible entity is an entity that:

- (1) is not included in the S&P/ASX 300 Index; and
- (2) has a market capitalisation of \$300 million or less (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is an eligible entity for the purposes of ASX Listing Rule 7.1A.

The Company is seeking Shareholder approval by way of a special resolution to have the ability to issue equity securities under the 10% Placement Facility. The exact number of equity securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to section 7.5).

The effect of Resolution 5 will be to allow the Company to issue equity securities under ASX Listing Rule 7.1A during the 10% Placement Period without Shareholder approval and without reliance on the Company's 15% Placement Facility.

Resolution 5 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and entitled to vote on the resolution (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

7.2 Description of ASX Listing Rule 7.1A

(a) Shareholder approval

The Company's ability to issue equity securities under the 10% Placement Facility is subject to Shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of equity securities of the Company.

(c) Formulae for calculating 10% Placement Facility

The exact number of equity securities that the Company may issue under the 10% Placement Facility will be calculated according to the following formula (as prescribed by ASX Listing Rule 7.1A.2):

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- plus the number of fully paid shares issued in the 12 months under an exception in ASX Listing Rule 7.2;

- plus the number of partly paid shares that became fully paid in the 12 months;
- plus the number of fully paid shares issued in the 12 months with approval of holders of shares under ASX Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% Placement Facility without shareholder approval; and
- less the number of fully paid shares cancelled in the 12 months.

D is 10%

E is the number of equity securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under ASX Listing Rules 7.1 or 7.4.

7.3 Minimum issue price

The issue price of equity securities issued under ASX Listing Rule 7.1A must not be less than 75% of the VWAP of equity securities in the same class calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the equity securities are to be issued is agreed; or
- (2) if the equity securities are not issued within 5 ASX trading days of the date in paragraph (a) above, the date on which the equity securities are issued.

7.4 10% Placement Period

The equity securities may be issued under the 10% Placement Facility commencing on the date of the Meeting and expiring on the first to occur of the following:

- (1) the date that is 12 months after the date of the Meeting at which approval is obtained; or
- (2) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main understanding) (after which date, an approval under ASX Listing Rule 7.1A ceases to be valid),

or such longer period if allowed by the ASX (**10% Placement Period**).

7.5 Specific information required in accordance with ASX Listing Rule 7.3A

(a) Risk of voting dilution

Any issue of equity securities under the 10% Placement Facility will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 5 is approved by Shareholders and the Company issues the maximum number of equity securities available under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the date of the issue of the equity securities than on the date of the Meeting; and
- (ii) the equity securities may be issued at a price that is at a discount to the market price for the Company's Shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

| Variable "A" in ASX Listing Rule 7.1A.2 | | Dilution | | |
|--------------------------------------------------------|----------------------|-------------------------------------------|--------------------------------|--------------------------------------------|
| | | \$0.01 50% decrease in market price | \$0.02 Current market price | \$0.04 100% increase in market price |
| Current Variable "A" 165,097,443 Shares | Shares issued | 16,509,744 | 16,509,744 | 16,509,744 |
| | Funds raised | \$165,097.44 | \$330,194.89 | \$660,389.77 |
| 50% increase in Variable "A" 247,646,165 Shares | Shares issued | 24,764,616 | 24,764,616 | 24,764,616 |
| | Funds raised | \$247,646.16 | \$495,292.33 | \$990,584.66 |
| 100% increase in Variable "A" 330,194,886 Shares | Shares issued | 33,019,488 | 33,019,488 | 33,019,488 |
| | Funds raised | \$330,194.88 | \$660,389.77 | \$1,320,779.54 |

The table above uses the following assumptions:

- (i) there are currently 165,097,444 Shares on issue as at the date of this Notice of Meeting. The table does not contemplate the issue of Shares pursuant to the Funding Transaction;
- (ii) the market price set out above is the closing price of the Shares on the ASX on 31 May 2016;
- (iii) the Company issues the maximum possible number of equity securities under the 10% Placement Facility;
- (iv) the Company has not issued any equity securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1;

- (v) the issue of equity securities under the 10% Placement Facility consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the equity securities (including from any other proposed Resolution from this Meeting);
- (vi) the calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own Shareholding depending on their specific circumstances;
- (vii) this table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1; and
- (viii) the table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(b) Purpose of issue under 10% Placement Facility

The Company may seek to issue equity securities under the 10% Placement Facility for the following purposes:

- (i) non cash consideration for the acquisition of new resources, assets and investments including previously announced acquisitions. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised for an acquisition of new assets or investments (including expenses associated with such acquisition), continued exploration and feasibility expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under the ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities pursuant to the 10% Placement Facility.

(c) Allocation policy under the 10% Placement Facility

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The identity of the recipients of equity securities will be determined on a case-by-case basis having regard to factors that include the following:

- (i) the methods of raising funds that are available to the Company, including rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the equity securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The recipients of any equity securities issued under the 10% Placement Facility have not been determined as at the date of this Notice of Meeting, but may include existing Shareholders and/or new investors who are not a Related Body Corporate (as that term is defined in the Corporations Act) of the Company or their associates.

If Resolution 5 is approved by Shareholders, the Company may issue equity securities under the 10% Placement Facility during the 10% Placement Period, as and when the circumstances of the Company require.

(d) Previous approval under ASX Listing Rule 7.1A

There have been no previous instances of the Company making an application under ASX Listing Rule 7.1A.

(e) Voting Exclusions

A voting exclusion statement is included in the Notice of Meeting. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holders to participate in the issue of the equity securities under the 10% Placement Facility. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice of Meeting.

SCHEDULE 1

Definitions

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

10% Placement Facility has the meaning given in section 7.

10% Placement Period has the meaning given in section 7.4.

ACIIG means Australia Conglin International Investment Group Pty Ltd.

Announcement Date means the date of announcement of the Investment Agreement, being 18 April 2016.

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.

Business Day means a day other than a Saturday, Sunday or public holiday in Queensland.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

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.

Excellence Holdings means Excellence Holding HK Ltd.

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

Funding Transaction means the issue of securities to Excellence Holdings pursuant to the Investment Agreement, including the issue of the Initial Shares, the Further Shares and the Options.

Further Shares means the 180,000,000 Shares proposed to be issued to Excellence Holdings pursuant to the Investment Agreement for which approval is sought under Resolution 3.

Initial Shares means the 20,000,000 Shares issued to Excellence Holdings on or about 22 April 2016 pursuant to the Investment Agreement for which approval is sought under Resolution 4.

Investment Agreement means the agreement entered into between the Company and Excellence Holdings on 17 April 2016 under which the Company agreed, subject to certain conditions to issue the Initial Shares, the Further Shares and the Options, as further described in section 4.1.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

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

Loan Agreement means the agreement entered into by the Company and Excellence Holdings on 27 May 2016, under which Excellence Holdings agreed to advance to the Company \$200,000, as further described in section 4.1.

Meeting means the Annual General Meeting of the Company to be held at 11:00am (Brisbane time) on 21 July 2016 at the offices of BDO, Level 10, 12 Creek 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 21 July 2016 at the offices of BDO, Level 10, 12 Creek Street, Brisbane, Queensland and the accompanying Explanatory Memorandum and the Proxy Form.

Options means the 200,000,000 options convertible into Shares proposed to be issued to Excellence Holdings pursuant to the Investment Agreement, as further described in sections 4.1 and Schedule 3.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the Company's remuneration report contained in the Directors' Report.

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

Shareholder means a shareholder in the Company.

Shares means fully paid ordinary shares in the capital of the Company.

VWAP means Volume Weighted Average Price of the Company's ASX listed Shares trading under the code ORM.

SCHEDULE 2
Proforma Capital Structure

| | Excellence Holdings | Cumulative percentage Interest of Excellence Holdings | Conglin Yue and associates | Other Shareholders | Total Shares |
|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------|-----------------------------------|---------------------------|---------------------|
| Prior to issue of Initial Shares | 0 | 0% | 105,582,576 | 39,514,867 | 145,097,443 |
| Current Shares on issue following the issue of Initial Shares (on 22 April 2016) | 20,000,000 | 12.11% | 0 | 0 | 20,000,000 |
| Issue of Further Shares | 180,000,000 | | | | 180,000,000 |
| Total Shares on issue after the issue of the Initial Shares and Further Shares | 200,000,000 | 57.96% | 105,582,576 | 39,514,867 | 345,097,443 |
| <i>Note: below calculations showing share capital dependent on Option exercise rates</i> | | | | | |
| After issue of Options, and assuming 25% exercise rate | 50,000,000 | | 0 | 0 | 50,000,000 |
| Total – alternative 1 | 250,000,000 | 63.28% | 105,582,576 | 39,514,867 | 395,097,443 |
| After issue of Options, and assuming 50% exercise rate | 100,000,000 | | 0 | 0 | 100,000,000 |
| Total – alternative 2 | 300,000,000 | 67.40% | 105,582,576 | 39,514,867 | 445,097,443 |
| After issue of Options, and assuming 75% exercise rate | 150,000,000 | | 0 | 0 | 150,000,000 |
| Total – alternative 3 | 350,000,000 | 70.70% | 105,582,576 | 39,514,867 | 495,097,443 |
| After issue of Options, and assuming 100% exercise rate | 200,000,000 | | 0 | 0 | 200,000,000 |
| Total alternative 4 Shares on issue after the issue of the Initial Shares and Further Shares and assuming all Options are exercised | 400,000,000 | 73.39% | 105,582,576 | 39,514,867 | 545,097,443 |

SCHEDULE 3

Option Terms

1. Vesting

There are no vesting conditions applicable to the options.

2. Right to subscribe

Each option gives the optionholder the right to subscribe for one fully paid ordinary share (**Share**) in Orion Metals Limited (the **Company**).

3. Exercise Price

The exercise price for each option is \$0.005 (**Exercise Price**).

4. Quotation

The options are unlisted and quotation of the options will not be sought.

5. Expiry

The options expire at 5:00pm on the date that is 2 years after the date that the options are issued (**Expiry Time**).

6. Time of exercise

The optionholder may exercise some or all options at any time until the Expiry Time.

7. Manner of exercise

The optionholder may exercise options by forwarding to the Company at its registered office:

- (a) the certificate for those options;
- (b) the form of notice for the exercise of the options completed and specifying the number of options exercised; and
- (c) payment of the Exercise Price for each option exercised.

8. Allotment of Shares

The Company must issue to the optionholder the Shares to be issued on exercise of an option within five Business Days (as such term is defined in the ASX Listing Rules) of the date on which the notice of exercise took effect.

9. Ranking of Shares

Shares issued on exercise of an option are from the date on which the notice of exercise took effect to rank equally with the then issued Shares.

10. Quotation of Shares

The Company must apply for quotation of Shares issued on exercise of options.

11. Transfer

- (a) The options may be transferred by the lodgement with the Company of:
 - (i) a duly executed transfer form; and
 - (ii) the certificate for the options.
- (b) An option transfer is not effective until the Company processes the transfer, updates the option register and issues a new option certificate to the new registered holder.

12. Notices of meeting

The Company must give the optionholder notices of general meetings (and financial reports required at those meetings).

13. Notice of Expiry Time

The Company must give the optionholder a notice at least 20 Business Days before the Expiry Time with the information required by the ASX Listing Rules.

14. Participation in new issues

- (a) The optionholder has no right or entitlement as the holder of an option, without exercising an option, to participate in new issues of shares offered to the Company's shareholders.
- (b) The Company must give the optionholder 10 Business Days prior notice of the record date for a new issue of Shares to enable the optionholder to exercise the options and participate in the new issue.

15. Pro rata issues

If there is a pro rata issue (except a bonus issue) of Shares, the Exercise Price reduces according to the formula in rule 7.1 of the ASX Listing Rules.

16. Bonus issues

If there is a bonus issue of Shares, the number of Shares over which an option is exercisable increases by the number of Shares which the optionholder would have received if the option had been exercised before the record date for the bonus issue.

17. Option terms on reorganisation of capital

If the issued capital of the Company is reconstructed, the option terms must be amended to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

18. Options to be reorganised on reorganisation of capital

Subject to rule 17 of this Schedule 3:

- (a) in a consolidation of Shares, the number of options must be consolidated in the same ratio as Shares and the Exercise Price must be amended in inverse proportion to that ratio;
- (b) in a subdivision of Shares, the number of options must be sub-divided in the same ratio as Shares and the Exercise Price must be amended in inverse proportion to that ratio;
- (c) in a return of capital to shareholders, the number of options must remain the same, and the Exercise Price of each option must be reduced by the same amount as the amount returned in relation to each Share;
- (d) in a reduction of capital by cancellation of capital paid up on Shares that is lost or not represented by available assets where no Shares are cancelled, the number of options and the Exercise Price of each option must remain unaltered;
- (e) in a pro rata cancellation of Shares, the number of options must be reduced in the same ratio as the Shares and Exercise Price of each option must be amended in inverse proportion to that ratio; and
- (f) in any other case where the Shares are reorganised, the number of options or the Exercise Price, or both, must be reorganised so that the optionholder will not receive a benefit that holders of Shares do not receive.

LODGE YOUR VOTE

 **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**
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

 **ALL ENQUIRIES TO**
Telephone: +61 1300 554 474



X99999999999

PROXY FORM

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

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 you are appointing as your proxy

or 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 act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **11:00am (Brisbane time) on Thursday, 21 July 2016 at the offices of BDO, Level 10, 12 Creek Street, Brisbane, Queensland** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

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

Resolutions

| | For | Against | Abstain* | | For | Against | Abstain* |
|---------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|-----------------------------------------------|--------------------------|--------------------------|--------------------------|
| 1 Remuneration Report for the Financial Year ended 29 February 2016 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 5 Approval of 10% placement capacity increase | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2 Re-election of Yanchun Wang as a Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 3 Approval of the issue of Shares to Excellence Holding HK Ltd. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |
| 4 Approval of the prior issue of Shares to Excellence Holding HK Ltd. to refresh 15% placement capacity | <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.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

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).

ORM PRX1601C



HOW TO COMPLETE THIS SHAREHOLDER 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 PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

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, 19 July 2016**, 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 in the following way:



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

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**