

# Orion Minerals Ltd

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## Orion Minerals begins partnering process for Prieska Copper-Zinc Project in South Africa

Orion Minerals Limited (ASX:ORN) has begun a formal process which may lead to the introduction of a strategic project-level equity partner and investor in its flagship Prieska Copper-Zinc Project in South Africa.

The company has fielded expressions of interest from third parties in relation to the potential acquisition of, or subscription for, a project-level ownership interest.

These include unsolicited approaches from interested parties which could potentially enhance project value through the provision of technical or financial support.

Considering the potential of these approaches, Orion has decided to run a formal process to engage with these parties.

Should the process be successful, the company will participate in the joint development of the Prieska project, providing the foundations for its transformation into a new mid-tier base metals mining company.

### Discussions with potential parties

Managing director and CEO Errol Smart said, "We believe there are a number of significant benefits from evaluating alternative funding and development pathways that could include the sale of a project-level strategic equity interest.

"We believe that identifying and engaging with the right partner could help us to unlock the full potential of this world-class deposit and ultimately deliver an integrated funding and development package that will minimise dilution for Orion shareholders while retaining significant exposure to the substantial cash-flows that will be generated by a long-life base metal operation.

"We have already held discussions with a number of parties that could bring technical, financial, corporate and strategic expertise to the table."

### Partnering process

Smart added that he was looking forward to engaging formally with these and other parties over the coming months to see if a positive transaction for all stakeholders could be crystallised to help fast-track the development of a substantial new-generation African base metals mine.

Orion is targeting to complete the partnering process during the September quarter of 2020 following completion of the value engineering and optimisation process and delivery of an updated Bankable Feasibility Study (BFS).

Completion of a transaction (if any) is likely to be subject to shareholder

**Price:** 0.015

**Market Cap:** \$43.49 m

### 1 Year Share Price Graph



### Share Information

**Code:** ORN

**Listing:** ASX

<b>52 week</b>	<b>High</b>	<b>Low</b>
	<b>0.035</b>	<b>0.01</b>

**Sector:** Rare earths & specialist minerals

**Website:** [www.orionminerals.com.au](http://www.orionminerals.com.au)

### Company Synopsis:

Orion Minerals Ltd (ASX: ORN | JSE: ORN) is a mineral explorer and developer set to join the ranks of international base metal producers through the development of its flagship Prieska Zinc-Copper Project in South Africa's Northern Cape Province.

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approval in accordance with the Corporations Act and Listing Rules.

Orion has engaged Macquarie Capital to act as the financial adviser in relation to the transaction.

Ongoing engineering and optimisation work

Ongoing value engineering and optimisation work have been undertaken since the completion of the BFS in October 2019 with positive results including:

- Water treatment trials investigating supplementary means of dealing with the water to be pumped out from the underground workings so that the dewatering timeline and costs can be reduced;
- Value engineering of the ore processing plant designs and layouts to reduce both capital and operating costs; and
- Mine-to-market enterprise optimisation of the Foundation Phase mining plan, in order to optimise the mine plan and operating parameters to realise maximum value from the Prieska Project.

These studies, which are due for completion and independent sign-off early in the June quarter of 2020, highlight the opportunity for an expanded and improved project development which takes into consideration the substantial upside in Prieska.

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