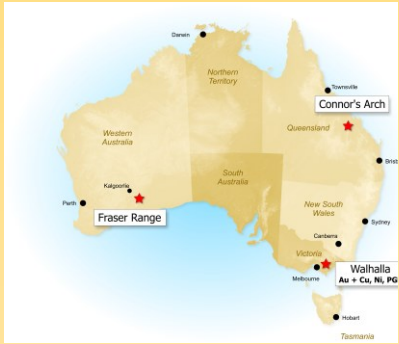


27 May 2013



## Orion Gold Project Locations

**ASX Code:** ORN**Issued Capital:**

Ordinary Shares: 127.6M

Options: 55.9M

**Market Cap:** ~\$11M (at 9c)**Directors:****Denis Waddell**  
Chairman**Errol Smart**  
Managing Director, CEO**Alexander Haller**  
Non-Executive Director**Management:****Bill Oliver**  
Chief Operating Officer**Martin Bouwmeester**  
CFO, Company Secretary

## Orion Commences Nickel Exploration Programs at Fraser Range Project, WA

*Acquisition agreements completed with Kamax Resources.*

### Fraser Range Gold-Nickel Project (Western Australia):

- Due diligence related to the acquisition of a highly prospective tenement package in the Fraser Range/Tropicana belts completed.
- Acquisition agreements with Kamax Resources completed and 100% acceptance received from Kamax security holders.
- Confirmation received from Orion's major shareholder, Silja Investment Ltd, of its intention to support the acquisition.
- Fugro Airborne Surveys engaged to carry out a HeliTEM survey across the nickel-focused Peninsula Project.

### Walhalla Gold-PGE Project (Victoria):

- Diamond drilling completed at Longfellow's and Lily of the Valley Prospects.
- Visible gold intersected in drilling at Longfellow's.
- Assay results include 1.4m @ 5.03 g/t gold, incl. 0.4m at 10.4g/t gold.
- PGE exploration program commences.

Orion Gold NL (ASX: **ORN**) advises that nickel exploration programs are about to commence at its Fraser Range Gold-Nickel Project in Western Australia following the completion of key acquisition agreements. The Company also provides an update on recent drilling programs at its Walhalla Gold-PGE Project in Victoria.

### Fraser Range Gold-Nickel Project (Western Australia)

On 22 March 2013, Orion announced that it had entered into a binding heads of agreement to acquire all of the shares in unlisted company Kamax Resources Limited. The agreement will result in Orion acquiring exploration licences covering more than 913sqkm in the Tropicana Belt and Fraser Range Province of WA and 669sqkm of additional applications in the two belts.

Orion has now completed its due diligence and executed all agreements relating to the acquisition, and has received 100% acceptance from Kamax security holders for the offer.

The Company is holding a shareholder meeting on 13 June 2013 to seek shareholder approval for the issue of Orion shares and options to Kamax security holders for settlement of the acquisition. Importantly, Orion's major shareholder, Silja Investment Ltd (which has a holding of approximately 60% in Orion), has confirmed its intention to support the acquisition.

Orion has contracted Fugro Airborne Surveys to immediately mobilise and conduct a HeliTEM survey across the nickel-focused Peninsula prospect. **Mobilisation to site has commenced with the survey anticipated to be completed in early June.**

The Kamax Fraser Range tenements are located between two world-class discoveries, the Tropicana Gold Project to the north, owned by Independence Group and AngloGold Ashanti, and the Nova Nickel-Copper-Cobalt Project to the south, owned by Sirius Resources.

Nickel exploration was carried out by Western Areas NL at the Peninsula Project between 2000 and 2006. This exploration pre-dated Sirius Resources' recent world-class Nova discovery and has not been re-interpreted in that context, although Peninsula is one of the few confirmed differentiated mafic intrusives in the Fraser Range geological province, with a similar rock composition to Nova.

Airborne EM was a key tool in the Nova discovery and the Company believes that its application at Peninsula will yield critical information to add to the substantial data already available for the Project. Scout RC drilling by Western Areas in 2005 yielded intersections of gabbronorite and other mafic units which were interpreted as a layered, differentiated mafic intrusive. Western Areas interpreted the mafic complex to be **approximately 13km long and 5km wide**.

Drilling also returned individual nickel values  $>0.1\%$  Ni in three holes (Figure 3). Significantly, while aeromagnetic and ground gravity data was collected, no EM surveys (airborne or ground) were carried out. Importantly, the ground gravity survey identified an anomaly which has not been explained by previous drilling.

The Company has engaged Southern Geoscience to monitor QA/QC of data acquisition and interpret the results of the HelITEM survey which, it is hoped, will identify conductive bodies such as massive sulphide accumulations within or on the margins of the mafic intrusions. This will provide further detail about the layering and other magmatic features present within these intrusions.

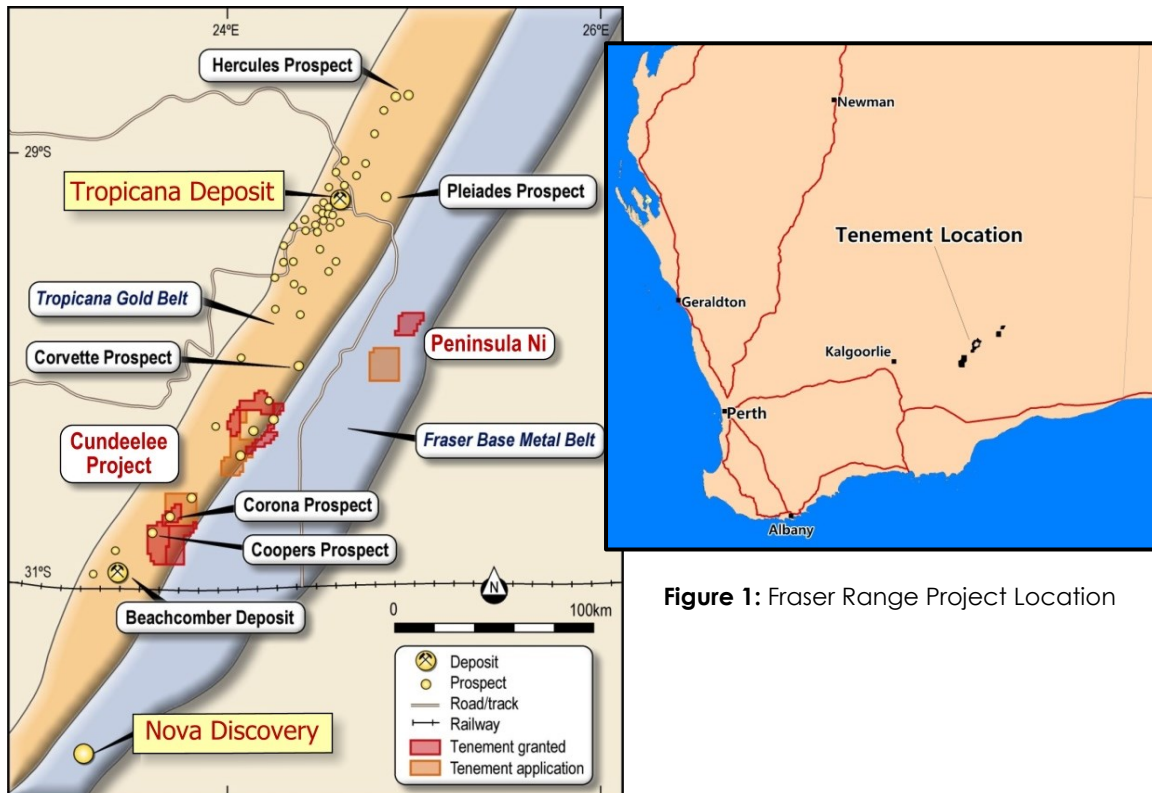
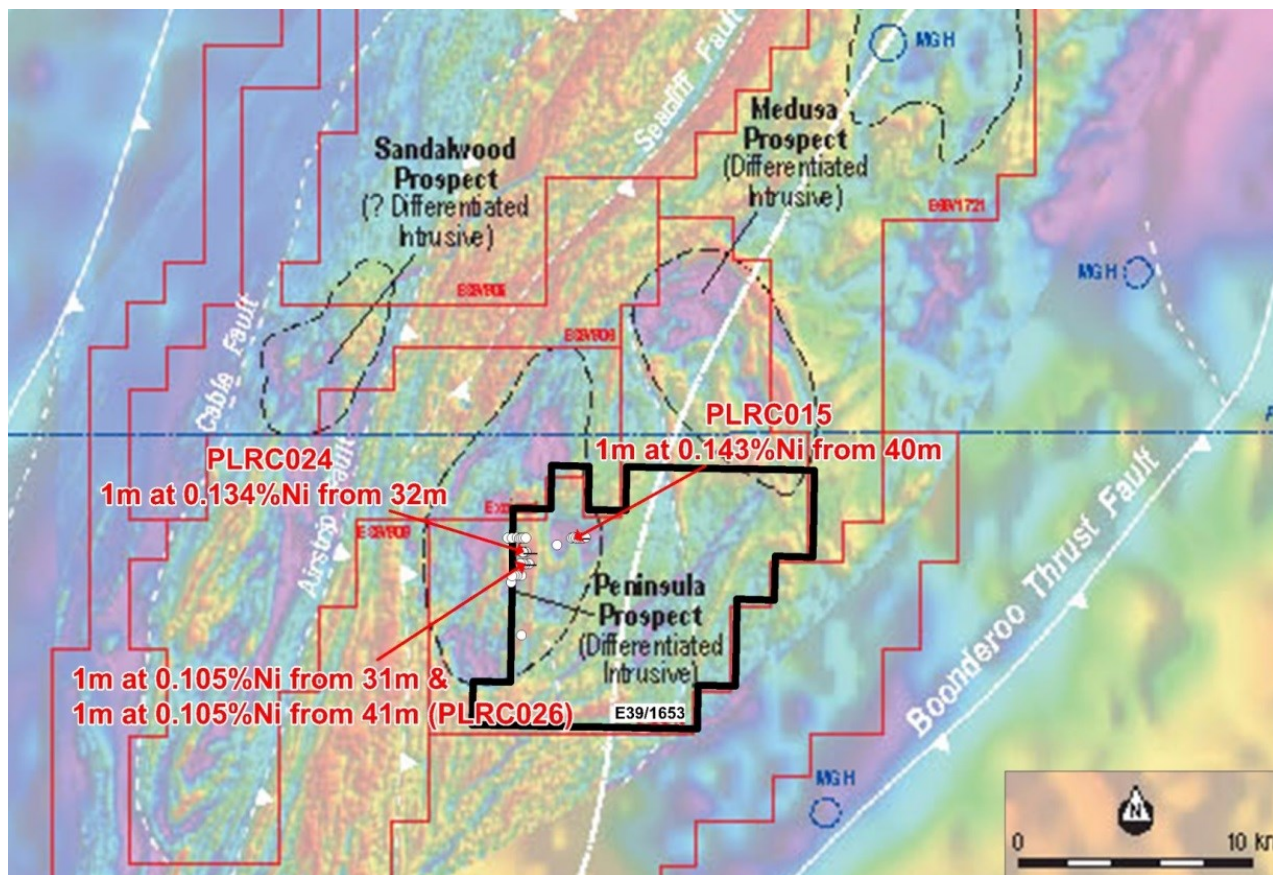


Figure 1: Fraser Range Project Location

Figure 2: Tenements to be acquired by Orion under the offer



**Figure 3:** Aeromagnetic image taken from C256/1995 2005 Annual Report by Western Areas NL showing location of E39/1653 (Kamax 80%) and historic RC drilling results.

### Walhalla Gold-PGE Project (Victoria)

Orion is continuing its gold exploration program at the Walhalla Project in Victoria, as outlined in the March 2013 Quarterly Activities Report. The initial Reverse Circulation holes of the drill program to test targets at Sir John Franklin (Orion currently 25%, earning 85%) (Figure 6) and Holy Terror (Orion 100%) were completed during March and April 2013 with results detailed below. Diamond drilling to test targets based on structural modelling has been completed at Longfellow's (Orion 100%) with results outlined below, as well as at Lily of the Valley. This will be followed by drilling in the Toombon area.

The Company is also commencing an exploration program dedicated to advancing the PGE-Cu-Ni targets within the Project area (see Announcement – 18 February 2013). The Company's consultants, Dr Freider Reichhardt (The MSA Group) and Dr Reid Keays (Monash University), have assisted in the design and scope of an initial exploration program.

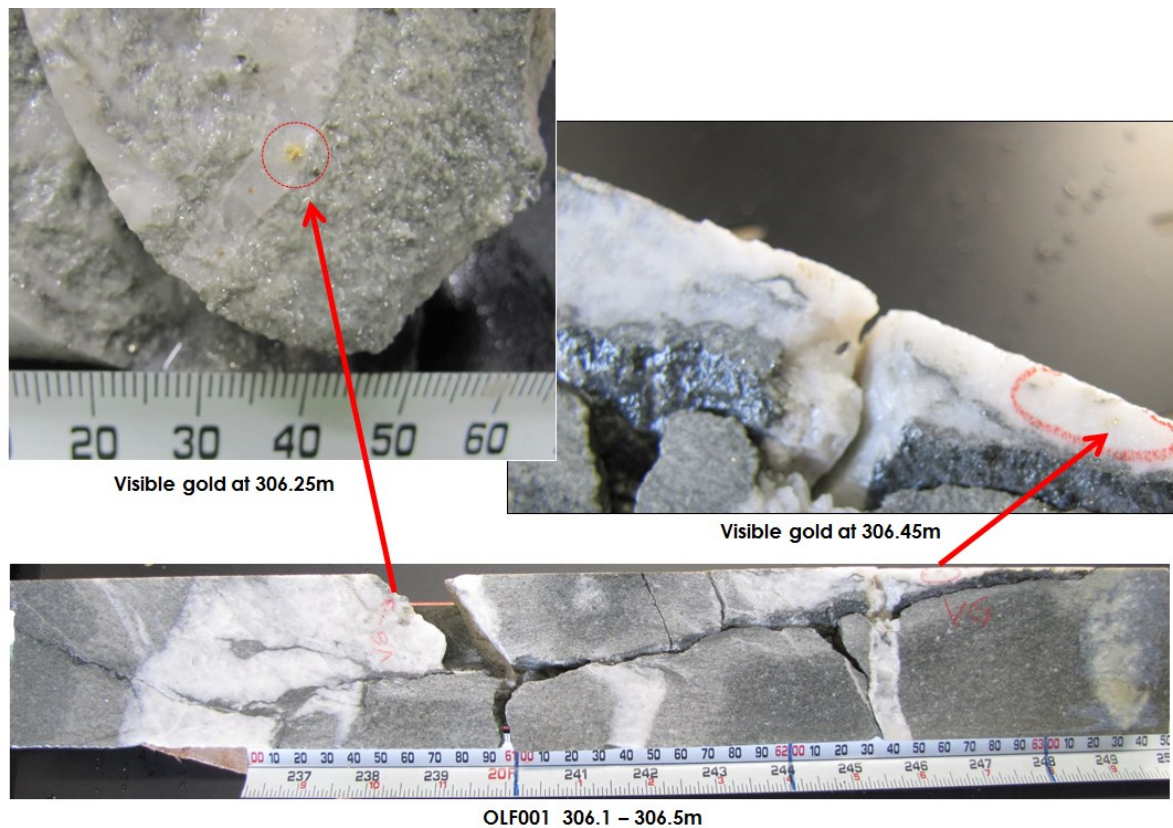
Field mapping has relocated the so called Walhalla East Copper Mine with malachite staining identified in surface exposures and shallow costeans. Although named as a mine, the site was found to only have limited shallow surface diggings and has apparently not been exploited on any significant scale. Results of initial grab sampling of surface material with copper mineral staining are awaited.

## Longfellow's Prospect

The Longfellow's Prospect is situated on a parallel structure approximately 700m to the west of the main Cohen's Reef (Walhalla). Gold was discovered in the Longfellow's dyke around 1864 and was exploited by an extensive network of underground workings until the mid-1890's.

The exploration potential of the Longfellow's area is supported by previous underground grab sampling on two levels, which confirmed encouraging grades over significant strike lengths – 200m at 4.95 g/t Au on one level and 75m at 4.1 g/t Au on two level (averaged gold assays from 10 kg grab samples collected at 5m intervals along strike in the Western and Lower Western tunnels – Longfellow's Prospect, Walhalla, by Intrepid (1998)).

Orion has completed a single diamond drill hole at the Longfellow's Prospect for 448.6m (Figures 4 and 5), representing the first drill-hole to test directly down-dip of the old workings. The hole successfully intersected the down-dip extension of Longfellow's dyke between 298.7m and 308.8m and visible gold was noted in veining between 306.1m and 306.5m. This zone is interpreted to correlate with the "Vein C" historically mined in 3 and 4 levels of the main Longfellow's workings.

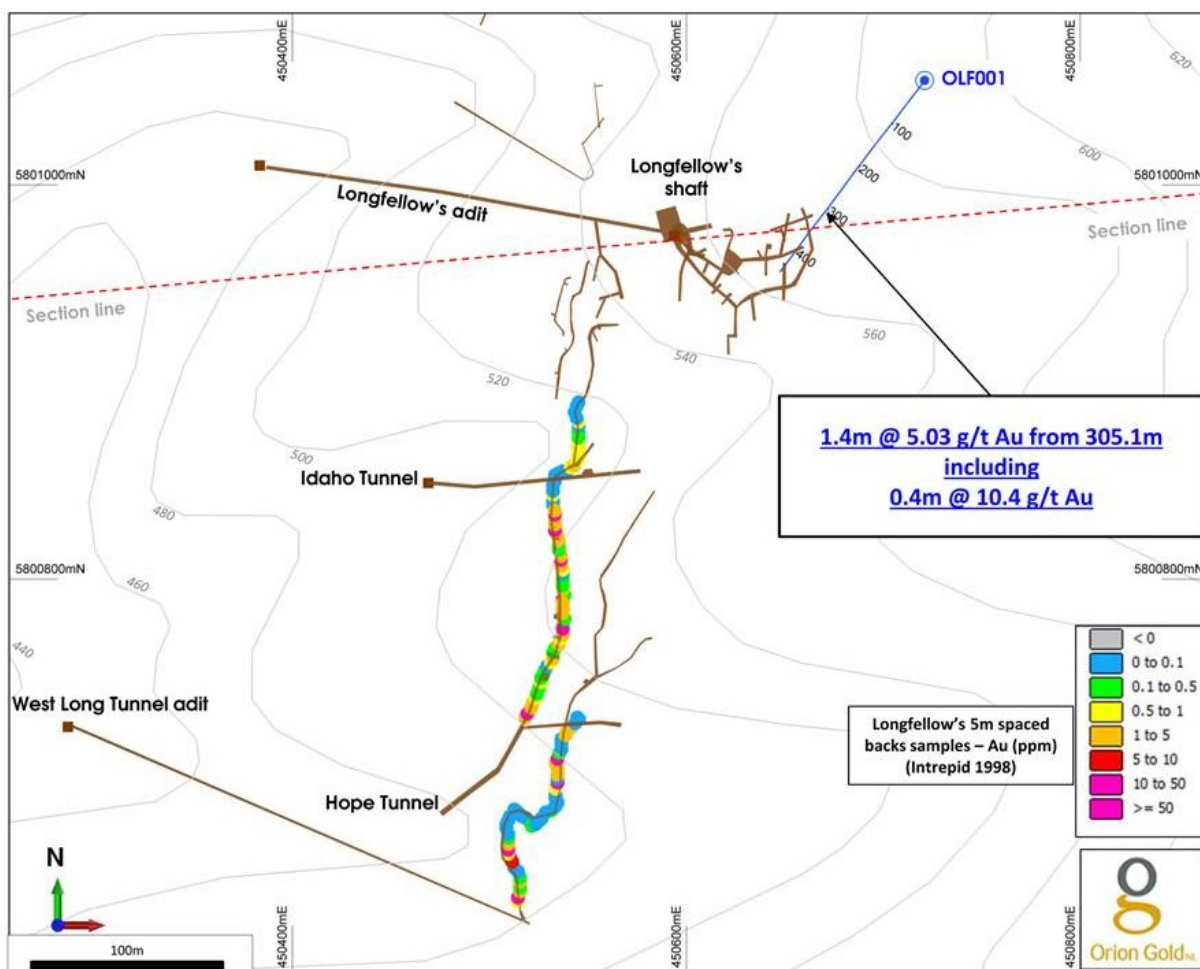


Assay results have been received from OLF001 with a best result of **1.4m at 5.03g/t** from 305.1m including **0.4m at 10.4g/t gold** from the interval containing visible gold in retained core.

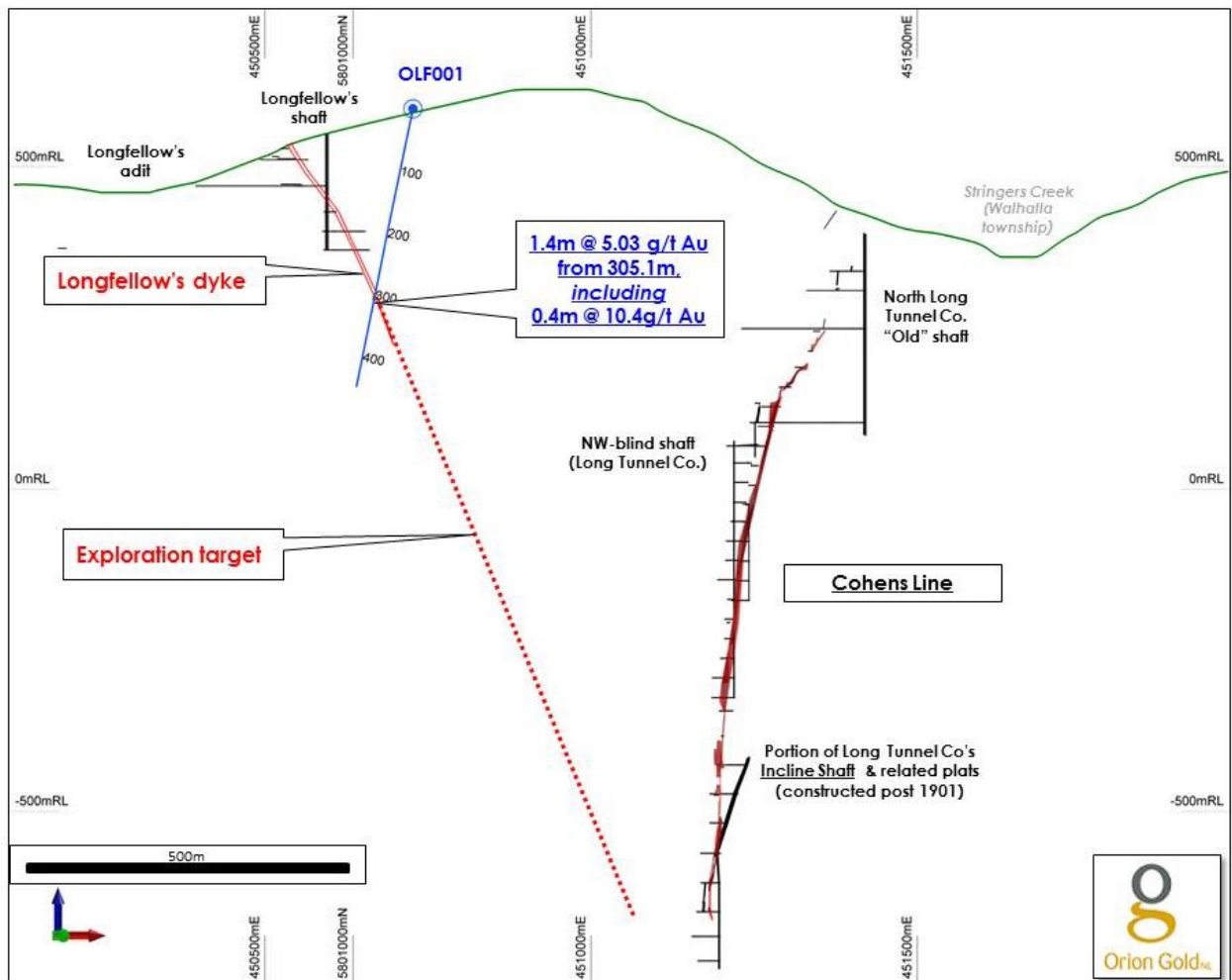
The location of the Longfellow's Prospect occurs on a parallel structure to the west of the Cohen's Reef and has a significant impact on potential future mining scenarios for Cohen's, supporting potential access from the west. Information from OLF001 will be augmented with underground mapping information to be obtained by accessing the Longfellow's adits for structural mapping and possible further underground sampling in coming weeks.

Collar details - MGA94 Zone 55							Significant intersections			
Hole ID	Easting MGA94_55	Northing MGA94_55	RL (m)	Azimuth Magnetic	Dip	Total Depth (m)	From (m)	To (m)	Down hole Width (m)	Gold grade (g/t)
OLF001	450721	5801053	600	203	-74	448.6	305.1	306.5	1.4	5.03
						including	306.1	306.5	0.4	10.4

**Table 1:** Collar details and all interval results >1g/t gold for Longfellow's diamond drilling. Please refer to the Notes and Competent Persons statements relating to these Exploration Results as well as results from individual samples.



**Figure 4:** Plan showing Longfellow's underground historical workings and diamond drill hole OLF001.



**Figure 5:** Cross section showing underground historical workings at Longfellow's and Cohen's as well as diamond drill hole OLF001.

### Lily of the Valley Prospect

A diamond drill hole has also been completed at the Lily of the Valley Prospect, testing a historic production centre with recorded production of 3,771 ounces of gold from 11,667 tonnes of ore. This drilling is the first drill hole in the Lily of the Valley area, testing what is interpreted to be the northern continuation of the Cohen's mineralised trend. The hole has intersected numerous zones of quartz veining and sulfide mineralisation in faulted sedimentary strata. Sampling and geological assessment is currently in progress.

### Holy Terror Prospect

Results have also been received from three Reverse Circulation drill holes (OHT001-3) for a total of 516m drilled at the Holy Terror prospect. Drilling successfully established the potential for the Holy Terror Grit to host bulk tonnage, low grade mineralisation. The tenor of mineralisation intersected in this RC drilling is low grade, but holds important implications for the development of wide, mineralised zones in this competent sedimentary unit at localities where it is intersected by shearing.

Collar details - MGA94 Zone 55							Significant intersections			
Hole ID	Easting* MGA94_55	Northing* MGA94_55	RL (m)	Azimuth Magnetic	Dip	Total Depth (m)	From (m)	To (m)	Down hole Width (m)	Gold grade (g/t)
OHT001	440148	5834369	1,053	24	-55	168	87	97	10	0.20
OHT002	440148	5834369	1,053	93	-50	186	59	71	12	0.44
							92	103	11	0.37
OHT003	440148	5834369	1,053	83	-50	162	38	48	10	0.36
							95	96	1	0.67

**Table 2:** Collar details and all results >0.2g/t gold for Holy Terror RC drilling. Please refer to the Notes and Competent Persons statements relating to these Exploration Results.

### Sir John Franklin Prospect

All results from the RC drilling at the Sir John Franklin Prospect have been returned. Results from OJF001 were previously reported in the Quarterly Activities Report for March 2013 but are repeated below for completeness.

OJF001 intersected a dyke between 168-178m, the western side of which was notably altered and accompanied by sulfide mineralisation, and returned **3m at 2.19 g/t gold** (Table 3). OJF002 intersected a fine-grained, weakly altered dyke from 45m to 51m. Spotty low tenor gold grades (0.1 - 1.0g/t gold) were returned from weathered sediments on either side of the dyke, however the dyke itself returned no significant gold assays.

While the extent of underground workings and reported production showed potential for a significant deposit, the drilling completed to date indicates a lenticular style of mineralisation of low interest to Orion.

Collar details - MGA94 Zone 55							Significant intersections			
Hole ID	Easting MGA94_55	Northing MGA94_55	RL (m)	Azimuth Magnetic	Dip	Total Depth (m)	From (m)	To (m)	Down hole Width (m)	Gold grade (g/t)
OJF001	436996	5839905	960	18	-45	210	169	172	3	2.19

**Table 3:** Collar details and all results >1g/t gold for Sir John Franklin RC drilling. Please refer to the Notes and Competent Persons statements relating to these Exploration Results.



**Figure 6:** Sir John Franklin underground historical workings and reverse circulation holes completed in 2013 as well as historical drill results.



Errol Smart  
Managing Director and CEO

## Disclaimer

This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements inherently involve subjective judgement and analysis and are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Orion Gold NL. Actual results and developments may vary materially from those expressed in this release. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Orion Gold NL makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

## Competent Persons Statement

The information in this report that relates to Western Australian Exploration Results are based on information compiled by Mr Bill Oliver, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Oliver is Chief Operating Officer of Orion Gold NL as well as a director of Kamax Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Mr Oliver consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this report that relates to gold exploration at Walhalla- Woods Point has been compiled and assessed under the supervision of Dr James Anderson, Orion Gold NL's General Manager – Exploration, from historical records and field investigation. Dr Anderson is a member of the AusIMM CP (GEO) and has extensive experience in the identification of gold mineralisation of this style. Dr Anderson consents to the public release of the information in the context contained within this release as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code").

The information in this report that relates to exploration for PGE-Cu-Ni and other metals at Walhalla- Woods Point has been compiled and assessed under the supervision of Mr Errol Smart, Orion Gold NL's Managing Director, from historical records and field investigation. Mr Smart (PrSciNat) is registered with the South African Council for Natural Scientific Professionals, a ROPO for JORC purposes and has experience in the identification and exploration of mineralisation of this style. Mr Smart consents to the public release of the information in the context contained within this release as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). Mr Smart consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

## Notes relating to Exploration Results:

1. Significant intersections are length-weighted average Au grade at lower cut-off indicated in captions to Tables 1 – 3. Intervals include up to 2 metres internal dilution
2. Au analysis for Holy Terror, Sir John Franklin and Longfellow's drilling is by 50 g fire assay, AAS finish, OSLS Bendigo.
3. Samples; RC chip samples taken directly from the drill rig via an 8:1 splitter on a metre basis. Dry sample. Diamond samples from halved HQ core.
4. All widths are down hole; insufficient data available to attempt estimation of true width.

**Table 4: Drilling Results > 1g/t gold from OLF001**

Hole ID	From (m)	To (m)	Down hole Width (m)	Gold grade (g/t)
OLF001	305.1	306.1	1	2.88
	306.1	306.5	0.4	10.4