

29 July 2014



QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 JUNE 2014

HIGHLIGHTS

Exploration

- Review of RC drilling at Peninsula Project, Fraser Range (WA), demonstrates prospectivity of HA2 and Pennor Targets:
 - Magmatic Ni-Cu bearing sulphides & prospective geochemistry combined to produce results such as 80 metres at 0.11%Ni, 0.05%Cu & 0.01%Co (including 12 metres at 0.22%Ni, 0.11%Cu & 0.02%Co).
 - Petrology and geochemistry point to larger magmatic system and potential feeder zones increasing the scale of the priority target areas
 - Focus now on maiden drilling program at Pennor to determine potential within and on margin of this intrusion.
 - Aim is to generate robust deeper drilling targets at Pennor and HA2 based on an integrated geological and geophysical dataset which incorporates the entire magmatic complex.
- Work continues to evaluate the balance of the 23 nickel-copper targets defined across Fraser Range Projects.
- Cu-Ni-PGE potential of Walhalla Polymetals Project expanded with elevation in prospectivity of East Walhalla and Maynards Gully Prospects based on geochemical and petrological studies.
- Field trip to Connors Arc Project paves way for increase in activities over coming months.

Corporate

- \$1.5 million raised via Share Purchase Plan at 4.5c per share. Total of \$0.5 million issued to SPP participants and \$1.0 million to underwriters including Orion directors, Silja (Orion's major shareholder), Orion's Fraser Range JV partner Mark Creasy and several sophisticated and professional investors.
- Finalised agreements with Silja whereby:
 - The principal balance of the loan facility which expired on 31 December 2013 was converted into Orion shares.
 - The Company repaid the loan facility prior to expiry on 30 June 2014.
- Bill Oliver appointed Technical Director.

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ASX Code: ORN

Issued Capital:

Ordinary Shares: 244M

Options: 95M

Directors:

Denis Waddell
Chairman

Errol Smart
Managing Director, CEO

Bill Oliver
Technical Director

Alexander Haller
Non-Executive Director

Management:

Kim Hogg
Company Secretary

Martin Bouwmeester
Business Development Manager

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Exploration

The Company continued to progress its projects in the Fraser Range Province of Western Australia, the Walhalla Polymetals Project in Victoria and the Connors Arc Project in Queensland during the June 2014 Quarter. During the Quarter the focus of the Company's activities was to design and implement follow up work programs to the exploration activities carried out in the March 2014 Quarter. This involved completion of a number of studies by internationally recognised experts, sourcing of additional data where required and integrating all available information to enable re-evaluation and re-ranking of target areas. While field activities were limited, exploration activities were no less intensive and the conclusions drawn will enable the Company to continue to efficiently use shareholder funds while systematically exploring its projects.

Fraser Range - Nickel-Copper and Gold-Projects (Western Australia)

Peninsula Prospect

During the Quarter the Company carried out a detailed technical review of the RC drilling at the HA2 target - where Orion intersected broad zones of nickel-copper mineralisation in March (see Figures 1 & 2 and ASX Release 17 March 2014) – including a petrology study on drill chips and a geochemical study on both assay data from the drilling and new data from additional laboratory analysis of selected samples. The geochemical and petrology data was received in late June and subsequently reviewed by leading consultants.

The review – which also encompassed drill assays and other data from the wider Peninsula Prospect area – aimed to define and rank drill targets to follow up the RC drilling as well as use the data gathered from the RC drilling to refine potential target areas in the broader project area.

The review involved extensive major and trace element geochemical, petrology and other technical studies. The geochemical data was reviewed by an expert in the geochemistry of magmatic nickel-copper deposits. The petrology component of the review was conducted by a leading consultant, who has had significant exposure to the Fraser Range including Sirius Resources' Nova discovery.

The Initial phase of this review confirmed that the nickel within the anomalous intersections at HA2 - which included an intersection of 80m @ 0.11% Ni, 0.05% Cu and 0.01% Co including 12m at 0.22%Ni, 0.11%Cu and 0.02%Co - was present in sulphides (not only as background or "silicate" nickel) based on nickel-magnesium ratios (see ASX Release 12 May 2014). A strong copper - sulphide correlation indicated the presence of copper in these sulphides, further confirmed by the strong correlation between copper and nickel in the samples with anomalous/sulphide nickel. The "metal tenor" of the sulphides at HA2 is estimated to be significant, based on sulphur assays and the levels of sulphides logged in drill chips (as detailed in ASX release 12 May 2014).

Importantly, the variation in copper within drill holes seemed to imply that sulphides were precipitated elsewhere within the magma system and have been remobilised and transported by magma dynamics. This lead the Company to further investigate the relationship between the different intrusive bodies intersected in the Peninsula Prospect by re-analysing selected samples for a wider suite of trace elements at a higher precision, including the Rare Earth Elements (REE).

Review of this assay data found that both lobes of the HA2 intrusion and the intrusive bodies to the west of HA2 are derived from the same magma source (see ASX release 15 July 2014).

The variation in nickel-copper mineralisation between the bodies was confirmed to be a function of the amount of sulphides carried by the magma and the interaction with crustal rocks the magma came into contact with during emplacement, and not as a result of these lobes being formed in different magmatic events. The review confirmed the initial findings announced to the ASX on 13 May 2014 that crustal contamination was both extensive and assimilated into the molten magma –in other words the crustal components were “well mixed” and able to affect the sulphur saturation of the magma.

The results of the review has led the consultants to unanimously recommend that exploration be expanded to test all mafic intrusions (identified and interpreted) in the area, as all intrusions from this magma source have the potential to host nickel-copper mineralisation. In addition, the linkages between the different intrusive chambers are to be explored to identify potential feeder zones such as that identified between Nova and Bollinger (see ASX release by Sirius Resources on 18 June 2013).

Based on the findings of the technical review, the Company is prioritising work at the Pennor target (Figure 1), located 3km north of HA2 target. Pennor is now interpreted to be an intrusive chamber formed in the same magma event as the HA2 target but significantly, the interpreted intrusive chamber at Pennor is estimated to cover an area of 4.5sqkm – which is much larger than the chamber at HA2 (2.8sqkm).

The review has also identified the outer margins of the HA2 and Pennor chambers, as well as the area between Pennor and HA2, as priority target areas within the Peninsula Prospect.

The petrology report, which involves microscopic examination of thin slices of rock, has also independently confirmed that the HA2 intrusion comprises mafic and ultramafic rocks (norites, gabbronorites, troctolites and olivine bearing gabbros) derived from a similar magma. Magmatic sulphides within mineralised intervals indicate that some of the magma bodies achieved sulphur saturation, likely due to the crustal contamination previously identified (see ASX Release 13 May 2014).

A pivotal observation in the petrology report is the presence of cumulate textures in drill-hole HA2RP001. Cumulate textures are associated with Ni-Cu deposits worldwide and are formed by the first minerals crystallising from the magma. Therefore, they are indicative of potential primitive feeder zones or the basal part of a magma chamber. HA2RP001 was drilled on a prominent structural feature extending between two separate magma chambers. This structural feature extends to Pennor and there is potential for the structure to link Pennor and HA2.

In light of the highly promising outcomes of this review, Orion is moving quickly to initiate an aircore drilling program at Peninsula, aimed at testing both the margins of the interpreted intrusive chambers at HA2 and Pennor as well as the area between the two intrusions for potential inter-linking feeder zones.

Geological and geochemical data from this drilling will be paired with geophysics surveys (high powered Induced Polarisation or IP and down-hole electro-magnetic or EM surveys) to assist the Company in vectoring in to potential accumulations of sulphides. During the Quarter, the Company evaluated several EM and IP techniques which are being used to explore for magmatic Ni-Cu deposits both in the Fraser Range and worldwide. Orion continues to investigate the viability of innovative new techniques to advance its Fraser Range Project.

Figure 1

Plan showing key targets at the Fraser Range Project over data from historical high resolution aeromagnetic survey (as reprocessed by Orion).

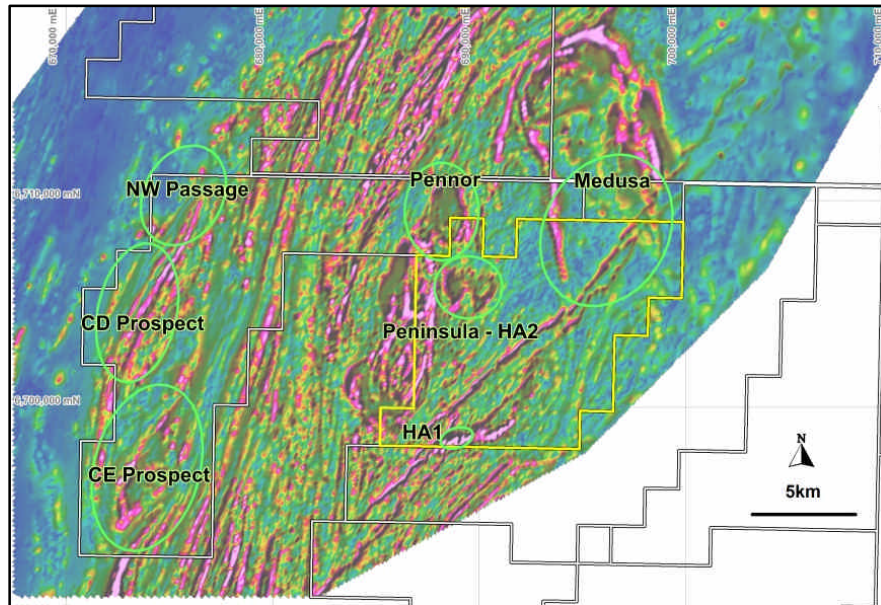
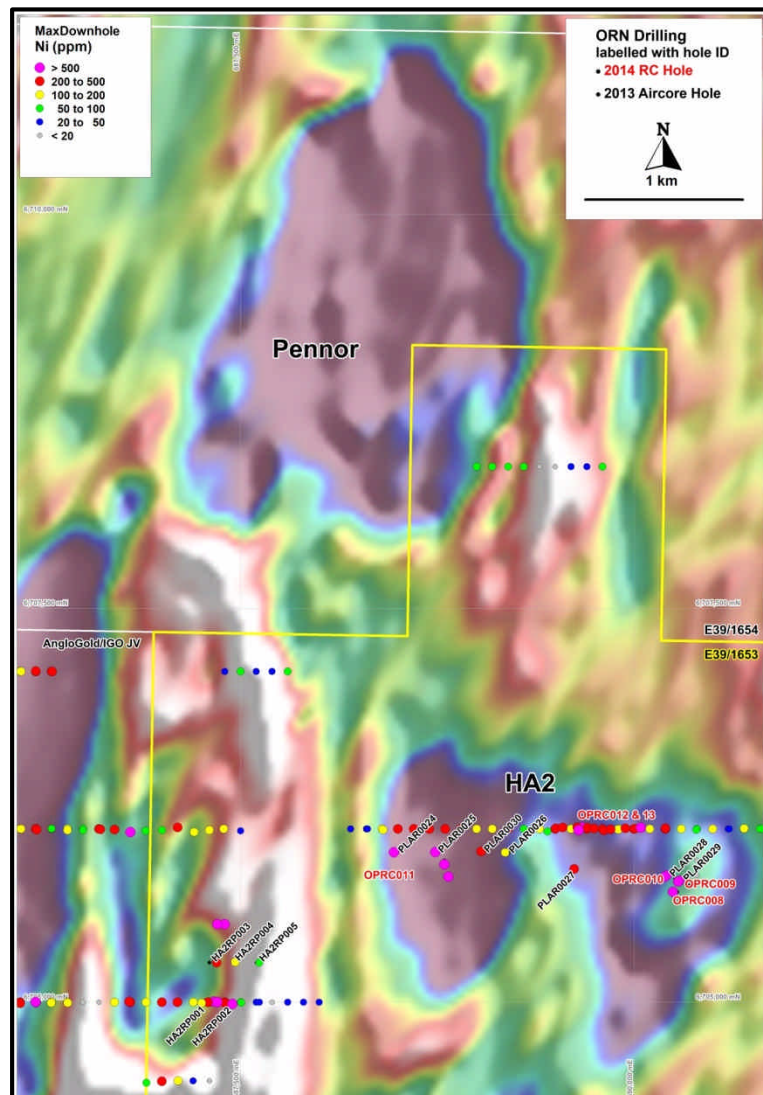


Figure 2.

Plan showing location of Pennor and HA2 Prospects on aeromagnetic data. Also shown are maximum Ni assay per hole for all historical and Orion drilling.



CE Prospect

Results from petrological studies of chips from aircore drilling at the CE Prospect (see location data in ASX release 17 March 2014 and Appendix 1) were received at the end of the Quarter and are currently being assessed along with geochemical data from this drilling. A number of holes were confirmed to have intersected mafic intrusives, however no significant results (>500ppm Ni) were returned in these holes. A number of assays between 200 & 500 ppm Ni were received (Figure 3) however further data is required to determine whether these results are significantly anomalous. Interestingly, a number of the results between 200 & 500ppm Ni lie on the linear western trend which also hosts the CD Prospect further to the north (Figure 3). The geological framework for the CE Prospect is currently being updated based on the petrology descriptions to place the drilling results in geological context and enable the prospectivity to be assessed and ranked against the Company's other targets within the Fraser Range Project.

Government Grant

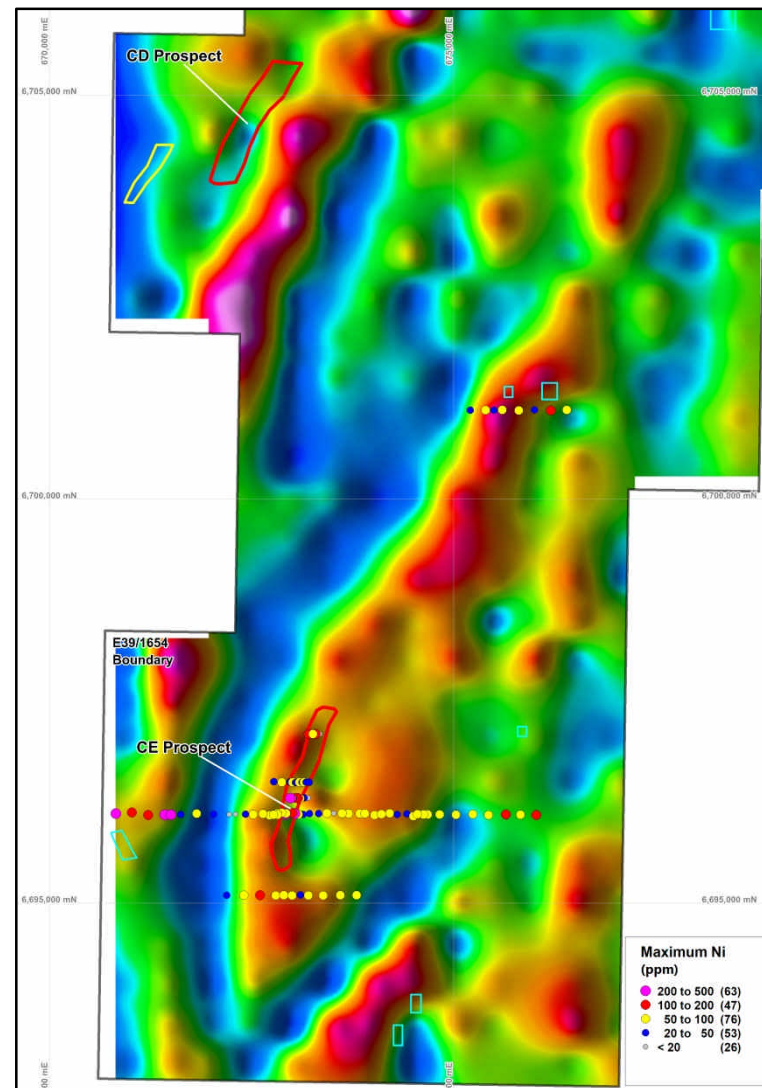
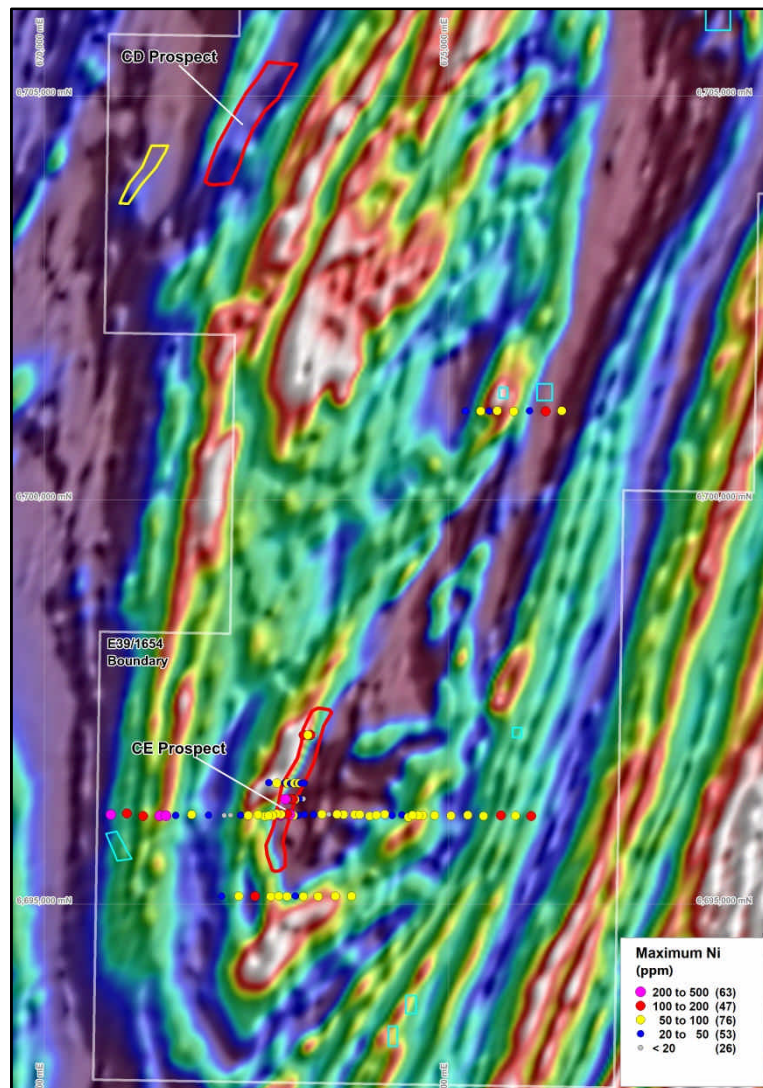
During the Quarter Orion was notified that its subsidiary Kamax Resources had been awarded a \$150,000 grant in Round 9 of the Western Australian Government's Exploration Incentive Scheme. Under the Co-funded Government-Industry Drilling Program, the Government will match direct drilling costs at the Peninsula Project in the 2014-2015 financial year dollar-for-dollar up to the amount of the grant, subject to the satisfaction of certain conditions. This grant adds to the \$150,000 grant which was received in Round 8, and will be used during the 2014 calendar year.

Background

The Fraser Range Project is located between two world-class discoveries, being 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. The tenement areas cover prospective targets for both Tropicana-style gold and Nova-style nickel deposits, with historical geochemical anomalies and scout drilling identifying bedrock mineralisation of both minerals.

Nickel-PGE exploration in the Peninsula Project, to the north-east of the Cundeelee Shear Zone, was carried out by Western Areas NL between 2000 and 2006. Scout RC drilling in 2005 yielded intersections of gabbronorite and other mafic units which were interpreted to represent differentiated mafic intrusives, similar to those which were later discovered and host Sirius Resources' Nova-Bollinger nickel-copper-cobalt deposit. Exploration of the Peninsula Project pre-dated the Nova-Bollinger discovery and the Company has now reinterpreting data from the Project in that context and acquired additional geophysical data to generate targets for drilling to test for deposits obscured by surface cover. In December 2013, the Company carried out its maiden drilling program at the Peninsula Project and successfully identified prospective mafic-ultramafic intrusive lithologies in areas where intrusive bodies had not previously been identified. RC drilling at Peninsula in early 2014 yielded anomalous Ni-Cu results which are the subject of current work programs.

Figure 3. Plan showing CE results on aeromagnetic (LHS) and ground gravity (RHS). Shapes are anomalies from 2014 VTEM survey (previously announced on 3 February 2014), with tier 1 anomalies outlined in red, tier 2 anomalies in yellow and tier 3 anomalies in cyan.



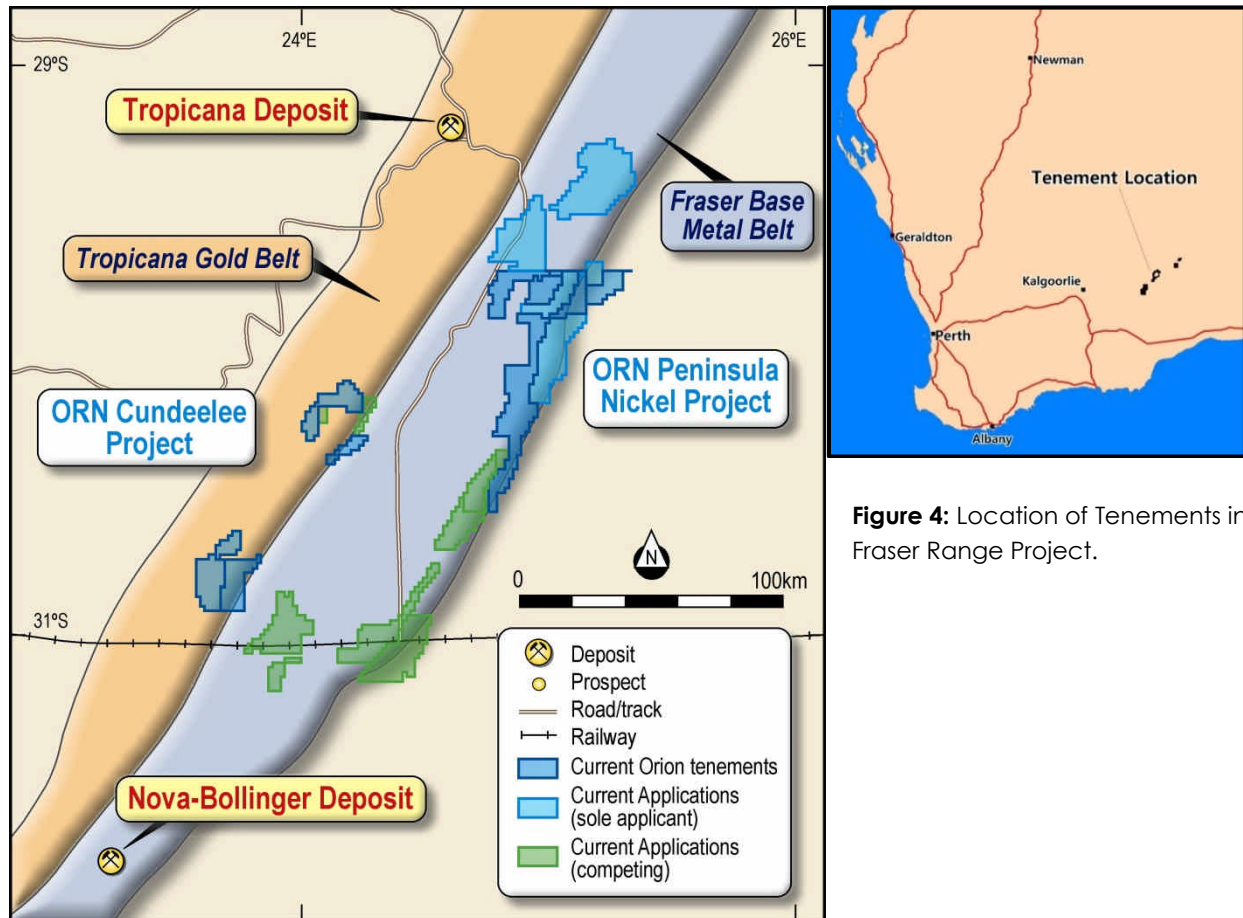


Figure 4: Location of Tenements in the Fraser Range Project.

In addition, a total of 23 Ni-Cu-PGE targets have been generated based on geophysical, geochemical and geological criteria across the Company's substantial landholding of almost 5,000km². The Company's interest in these tenements is between 70 - 100% and includes 1,942km² of granted tenements, 2,597km² of applications where the company or its partner are the sole applicant and a further 391km² of applications where the company is competing with other parties (in which case a ballot will determine the successful applicant).

At the Company's Cundeelee Gold Project, anomalous gold-in-calcrete geochemistry is coincident with the regional scale Cundeelee Shear Zone and extends for a significant distance along this shear zone. Aircore drilling by Dominion Mining (comprising 1,131 holes for 52,595m between 2006 and 2011) principally targeted these geochemical anomalies with encouraging results. However, only two RC holes were drilled to test for mineralisation below supergene anomalies.

Walhalla Gold & Polymetals Project (Victoria)

Walhalla Polymetals Project, Victoria (PGE-Copper-Nickel)

During the Quarter the Company received the results of detailed geochemical and petrographic studies of samples from its 2014 drilling at Coopers Creek, as well as samples from Coopers Creek, East Walhalla and Maynards Gully.

The studies identified that the dykes at the identified Cu-Ni-PGE prospects within the Walhalla Project area are from the same magma source. This means that the Company is now able to quickly evaluate new prospects identified as any which are co-magmatic with the known mineralised dykes are likely to be prospective for Cu-Ni-PGE mineralisation.

Importantly, the differences which were observed between the prospects have placed historic results in context. At Maynards Gully, rockchip samples taken by Orion's geologists returned up to 0.48%Cu but only 45ppb Pt + Pd (see ASX release 8 July 2013). Comparison of geochemical data across the project area indicates that the MgO and Cu contents of the Maynards Gully samples should result in much higher PGE contents, implying that other processes have acted to remove the PGE from the surface samples and potentially to concentrate these elsewhere within the Maynards Gully dyke.

Geochemical data from East Walhalla indicates that the host dyke is almost identical in composition to the Coopers Creek dyke. Since grab sample results from this prospect returned up to 0.2% Cu and 0.84g/t PGE (see ASX release 8 July 2013 for details) - almost identical to metal contents at surface at Coopers Creek (see ASX release 25 March 2014) - the Company is very encouraged by the potential of the East Walhalla Prospect. The potential at East Walhalla is also shown by historical reports of a 1970s drillhole intersecting 0.6 metres at 0.35% Cu and 2g/t Pt+Pd (see ASX release 8 July 2013 – specifically the information that the location of this hole is unknown and the sampling is believed to have been selective).

The studies also highlighted the importance of magma dynamics in forming the high grade pods within the Coopers Creek deposit. As previously discussed (ASX release 25 March 2014) pods and lenses of higher grade Cu-PGM-Ni mineralisation result from gravity accumulation of sulphides within undulations in the basal contact and suitable trap-site(s) in the dyke as evidenced by the net-textured sulphides intersected in drilling by previous explorers (e.g. CC003, which returned 36m @ 1.75% Cu, 0.20% Ni, 0.39g/t Au, 8.6g/t Ag, 0.78g/t Pt and 1.08g/t Pd from zones with abundant net textured sulphides – see ASX releases 18 February 2013 & 8 July 2013). Petrological descriptions of samples from Coopers Creek have identified textures within amphibole minerals which can be attributed to reaction of these minerals with a significantly different magma than the magma in which they formed (i.e. interaction with the “carrier” magma) and a drop in pressure during crystallisation.

Geochemical data supports these observations, with the highest MgO content in the centre of the Coopers Creek dyke yet the highest sulphur contents are found in discrete locations along the dyke margin. Since the most MgO rich magma will also be the most sulphur-saturated, this distribution of sulphur points to sulphide blebs coalescing then sinking to the edge of the dyke.

During the Quarter the Company completed an orientation soil sampling program at the East Walhalla Prospect aimed at validating historical results announced on 8 July 2013. Assay received were consistent with these results and certain geochemical trends may prove useful for future exploration.

In the near term, the Company plans to expand the soil sampling program across other prospects in the district together with a combination of geological mapping and rockchip sampling.

Background

The Walhalla – Woods Point District is most widely known as the third largest goldfield in Victoria, with significant past production exceeding 4 million ounces of gold at a reported head grade of over 25g/t gold. The current JORC resources comprise 268,000 ounces of gold in the Inferred category (detailed in Appendix 1).

While the Walhalla – Woods Point District is mostly known for gold mining, high grade copper - nickel and PGE mineralisation also occurs within the belt. Both mineralisation styles are hosted by dykes from the Woods Point Dyke Swarm (WPDS), a series of ultramafic to felsic dykes occurring over a 75km long north-south belt which are now interpreted to be the “plumbing” for a magmatic system of significant scale. The same studies have also developed a co-genetic model for the gold and the “polymetal” mineralisation. Five key Cu-Ni-PGE occurrences are known within the WPDS and three of these lie with Orion's tenement package (Figure 6). Despite these occurrences being known, sampled and, in the case of Coopers Creek, previously mined, there has been only been sporadic exploration for polymetallic deposits (mostly in the 1970's & 1980's).

The new understanding of the related polymetal and gold mineralisation in this district, as well as the model for mineralisation to be controlled by magmatic processes, has lead Orion to a new focus on exploration for polymetal, dyke-hosted deposits. The bulk of each individual dyke will likely exhibit only traces of sulphide mineralisation and minor Cu-Ni-PGE anomalism, however, examples such as Coopers Creek clearly demonstrate the potential for accumulation of sulphides in structural traps, resulting in zones of high grade mineralisation. Subsurface geometry of each dyke occurrence is considered one of the crucial factors in the development of such zones of sulphide accumulation and high grade mineralisation.

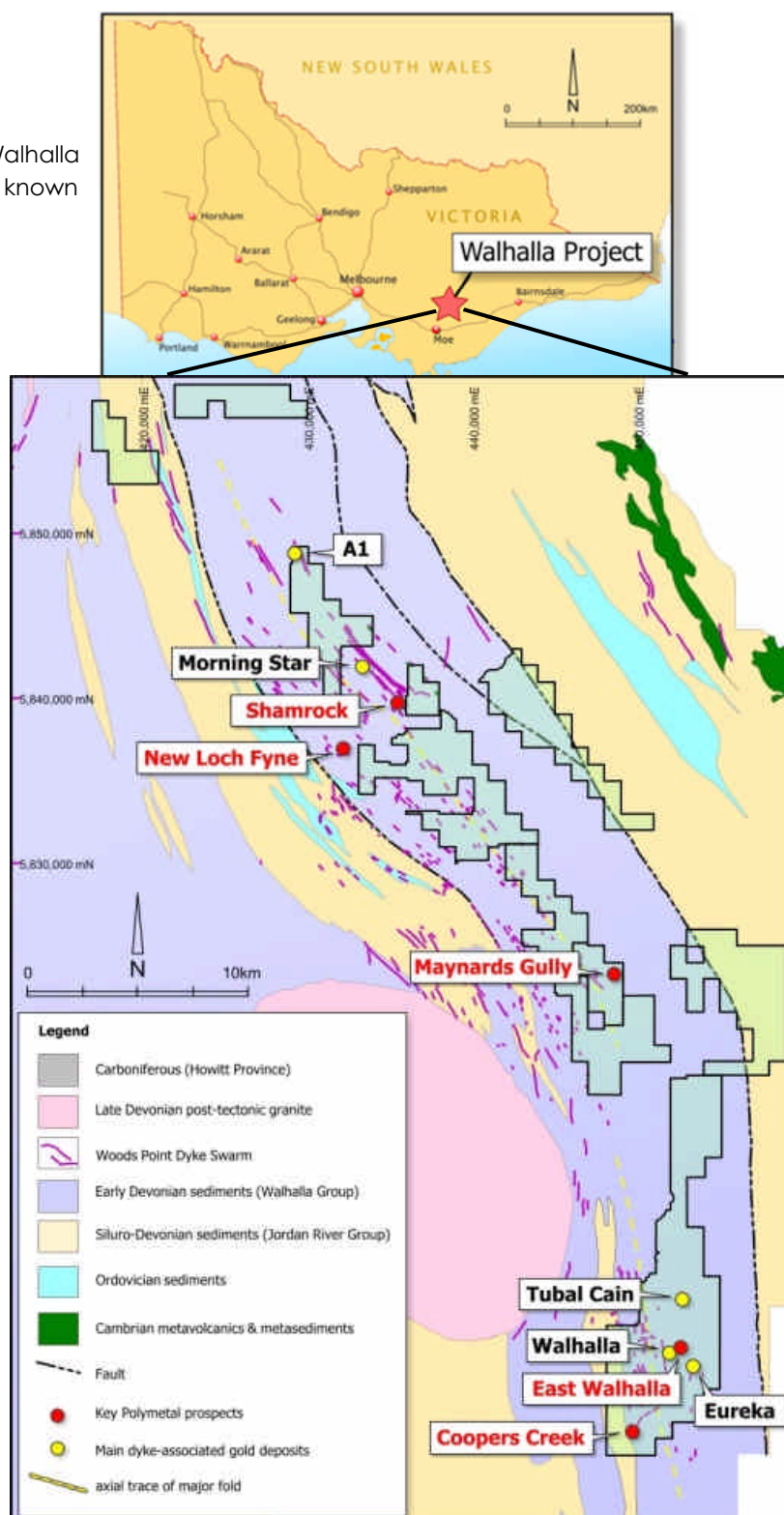
Orion recognises the opportunity presented by these unique deposits as well as their potential value, illustrated in Table 1 by the valuation of the metal content intersected in historical drill hole CC003.

Table 1. Metal equivalent grade calculations for drill hole CC003 (Coopers Creek), drilled by Ausplat Minerals/Golden Shamrock, 1988

	Price	Over 36 Meters				Over 3.5 Meters			
		Grade	US\$ value/tonne	Au equivalent	Cu equivalent	Grade	US\$ value/tonne	Au equivalent	Cu equivalent
Au	\$1,250	0.39g/t	15.67	0.39g/t	0.23%	1.3g/t	52.25	1.30g/t	0.75%
Pt	\$1,350	0.78g/t	33.86	0.84g/t	0.49%	1.16g/t	50.35	1.25g/t	0.73%
Pd	\$683	1.08g/t	23.72	0.59g/t	0.34%	1.64g/t	36.01	0.90g/t	0.52%
Ag	\$19.63	8.6g/t	5.43	0.14g/t	0.08%	14.4g/t	9.09	0.23g/t	0.13%
Cu	\$6,922	1.75%	121.14	3.01g/t	1.75%	3.23%	223.58	5.56g/t	3.23%
Ni	\$13,805	0.20%	27.61	0.69g/t	0.40%	0.53%	73.17	1.82g/t	1.06%
Total			\$227.42	5.66g/t	3.29%		\$444.44	11.06g/t	6.42%

Note: Orion has considered the in-situ grades reported in the context of the metal prices as reported by Kitco.com and the London Metal Exchange on 3 July 2013. The gangue and ore mineral assemblage as reported for the intersection is typical of PGE ores commonly mined in Southern Africa where >90% of world PGE production takes place. The metals and minerals identified are conventionally recoverable to a sulphide concentrate with standard metallurgical practices and a reasonable expectation of recovering >90% of each of the ore minerals. The concentrates produced can be expected to have composition typical of those commonly purchased and/or toll treated by base metal + PGE refineries in South Africa. The Competent Person is thus of the opinion that the metal equivalent estimate is a reasonable approach as an initial indication of economic merit of the mineral occurrence. The metal equivalence is stated as gold equivalence for Orion, which is a gold exploration and development company and has reported JORC compliant gold resources on the same tenement. Copper equivalence is also stated since copper is the metal contributing most economic value in the intersection.

Figure 5: Location of the Walhalla Gold-PGE Project showing known Cu-Ni-PGE occurrences.



Connors Arc Epithermal Gold Project (Queensland)

The Company's senior management recently visited the Connors Arc project to meet with landowners and review key prospects. A program of geological mapping and sampling is planned for coming weeks to characterise the epithermal system and the level of the Aurora Flats Prospect within it, as well as link prospects identified by Orion to those previously drilled.

Background

The New England Fold Belt in Queensland hosts numerous +1Moz Devonian through to Triassic aged epithermal and intrusion-related Au deposits. Many of these are Permian – Carboniferous aged systems and are intimately associated with intrusive lithologies of similar age.

Orion's Connors Arc project area incorporates prospects specifically interpreted as low sulphidation epithermal style systems. These represent attractive gold exploration targets on the basis that they are located within a geological and structural setting very similar to other significant epithermal gold systems in Queensland. Notable features include close proximity to the eastern margin of the Bowen Basin and prospective, Permo-Carboniferous aged volcanic and intrusive lithologies. In addition:

- Key prospects are spatially associated with a large, magmatic hydrothermal system (Mt Mackenzie);
- This hydrothermal system is located within a geological and structural setting which is very similar to other significant epithermal gold systems in Queensland such as Cracow and Mt Carlton and is of the same broad age (Permo-Carboniferous) as many other intrusion-related gold systems in Queensland; and
- Geological and geochemical characteristics in historical drilling which suggests that some prospects may be shallowly eroded, implying potential for higher gold grades at depth and existence of blind to surface ore bodies.

In addition, several targets have been identified based on coincident ASTER alteration, geological and geophysical features which represent grass-roots additions to the project's target portfolio, which complement more mature targets such as Aurora Flats where shallow drilling intersected elevated gold results but more importantly, returned anomalous As-Hg results as well as a distinct Ag-Te signature (geochemical indicators characteristic of a fertile epithermal structure).

Tenement Schedule

Tenement	Project	Ownership Interest	Change in Quarter	Joint Venture Partner
Western Australia				
E28/1298	Fraser Range	85%	---	Quadrio Resources Ltd
E28/1299	Fraser Range	85%	---	Quadrio Resources Ltd
E28/1345	Fraser Range	85%	---	Quadrio Resources Ltd
E28/1531	Fraser Range	85%	---	Quadrio Resources Ltd
E28/2231	Fraser Range	90%	---	GeoBase Australia Pty Ltd
E28/2232	Fraser Range	90%	---	GeoBase Australia Pty Ltd
E28/2292	Fraser Range	100%	---	---
E39/1653	Fraser Range	80%	---	Geological Resources Pty Ltd
E28/2016	Fraser Range	70%	---	Ponton Minerals Pty Ltd
E39/1654	Fraser Range	70%	---	NBX Pty Ltd
E69/2379	Fraser Range	70%	---	Ponton Minerals Pty Ltd
E69/2380	Fraser Range	70%	---	Ponton Minerals Pty Ltd
Queensland				
EPM19825	Connors Arc	100%	---	---
EPM25122	Connors Arc	100%	---	---
Victoria				
EL3311	Walhalla	100%	---	---
EL4660	Walhalla	85%	---	CMS Australia Pty Ltd
EL5043	Walhalla	100%	---	---
EL5077	Walhalla	100%	---	---
MIN5487	Walhalla	100%	---	---
EL5340	Walhalla	100%	---	---
EL5348	Walhalla	100%	---	---

Corporate

Cash and Finance

Cash on hand at the end of the Quarter was \$0.9 million.

Share Purchase Plan

On 16 April 2014, the Company announced an offer to shareholders of shares under a share purchase plan ('SPP'). The SPP was underwritten by Orion's directors, Orion's major shareholder (Silja Investment Limited), Orion's Fraser Range JV partner Mark Creasy and several other underwriting parties who are "sophisticated investors" or "professional investors" for the purposes of section 708 of the Corporations Act ('Underwriters') to an aggregate amount of \$1.5 million.

Following the closure of the SPP offer on 16 May 2014, on:

- 22 May 2014, the Company issued to SPP participants 10,699,972 fully paid ordinary shares ('Shares') in the Company at \$0.045 per Share, raising \$0.48 million;
- 23 June 2014, the Company issued 15,100,009 Shares in the Company at \$0.045 per Share, raising \$0.68 million, to Underwriters including Orion directors and Orion's major shareholder, Silja Investment Limited ('Silja') as approved at a General Meeting of shareholders held on 23 May 2014; and
- 30 June 2014, the Company issued 8,298,894 Shares in the Company at \$0.045 per Share to Underwriters, raising \$0.37 million as approved at a General Meeting of shareholders held on 23 May 2014. The issue of these shares completed the SPP underwriting commitments.

Issue of Shares

As approved at a General Meeting of shareholders held on 23 May 2014, on 23 June 2014, the Company issued:

- 2,578,888 Shares in the Company at \$0.045 per Share, raising \$116,050 to sophisticated and professional investors, including to Mr Denis Waddell (Mr Waddell subscribed for the full amount approved by shareholders);
- 2,272,905 Shares in the Company at \$0.045 per Share to Silja, thereby capitalising \$102,281 which was the total amount of the loan agreement which expired on 31 December 2013 ('Loan') owed by the Company to Silja. Under the loan confirmation agreement between the Company and Silja dated 31 January 2014, Silja agreed that unpaid principal balance under the Loan will be converted into Shares in the Company. No funds were therefore raised from the issue of Shares to Silja; and
- 3,333,333 Shares at \$0.045 per Share to Billandbry Consulting Pty Ltd ('Billandbry'), MBJ Investments Pty Ltd ('MBJ') and Mr Errol Smart (or nominee) ('Smart') in satisfaction of amounts to be paid by the Company to Billandbry, MBJ and Smart. No funds were received from the issue of these Shares.

Loan Facility

On 13 March 2014 the Company announced that it had finalised a \$0.5 million loan agreement with Silja, the Company's major shareholder ('Facility').

On 29 April 2014, under the terms of the Facility Silja advanced \$0.1 million to the Company and on 3 June 2014, the Company repaid \$0.1 million to Silja. The Facility expired on 30 June 2014.

Appointment of Technical Director

On 7 April 2014, the Company announced the appointment of its Chief Operating Officer, experienced mining executive and geologist Mr Bill Oliver, to the Board as Technical Director of the Company.

Mr Oliver was co-founder and Director of Kamax Resources Limited, which Orion acquired in March 2013 to secure its first strategic tenement holdings in the Albany-Fraser Range Belt of Western Australia.

Appointment of Company Secretary

On 30 May 2014, the Company appointed Mr Kim Hogg as Company Secretary of Orion Gold NL and its subsidiaries.

Mr Hogg (B Com) has worked in the private sector for more than twenty years as a principal of an accounting practice, providing specialist services to clients seeking to raise capital and list on ASX. Kim has predominantly been involved in the preparation of prospectuses and in compliance work as company secretary for both listed and unlisted entities, and is currently secretary of several ASX listed companies.

With Orion's recent relocation of its principal place of business to Perth, Mr Martin Bouwmeester who resides in Victoria, relinquished the position of Company Secretary. Mr Bouwmeester remains Orion's Business Development Manager, bringing valuable corporate experience and financial and strategic capability to the Company.

Change of Registered Office and Address

On 2 April 2014, the Company announced that it had changed its registered office and principal place of business to:

Suite 2,
64 Thomas Street,
West Perth
Western Australia 6005.

Telephone: +61 8 9485 2685

Unlisted Options Expiry

On 30 April 2014, 17,040,086 unlisted share options exercisable at \$0.20 expired.

New Opportunities

The Company is reviewing a number of new project areas for possible acquisition, ranging from exploration projects in prospective terrains to more advanced projects that have the potential to generate cash flow through near-term production. These other opportunities may include making investments in resource assets outside of gold or nickel and/or in jurisdictions outside of Australia. As at the date of this report, no commercial discussions are at a stage that would warrant any disclosure in this report.

Competent Persons Statement

The information in this report that relates to Exploration Results and other technical information for the Fraser Range Nickel-Gold Projects (also described as the Cundeelee Gold Project, the Peninsula Nickel Project and the Plumridge Lakes Project) complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code") and has been 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 the Chief Operating Officer of Orion Gold NL 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 2012 Edition of the 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 Exploration Results are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measure as detailed in Appendix 1.

The information in this report that relates to Exploration Results and other technical information for the Walhalla PGE-Cu-Ni "Polymetals" Project complies with the 2012 Edition of the JORC Code and 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 2012 Edition of the JORC Code).

The information in this announcement relating to Mineral Resources and Exploration Targets complies with the 2012 Edition of the JORC Code and is based on and accurately reflects grade estimation and modelling undertaken by Mr Phil Jankowski MSc MAusIMM(CP) on behalf of Orion Gold. Mr Jankowski is a Director with of Baltica Consulting and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' Mr Jankowski also consents to the inclusion in the report of the information in the form and context in which it appears. The Mineral Resources are based on standard industry practises for drilling, logging, sampling, assay methods including quality assurance and quality control measures, and estimation methods as detailed in Appendix 2.

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.

Appendix 1: The following tables are provided to ensure compliant with the JORC Code (2012) requirements for the reporting of Exploration Results from the CE Project.

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Reverse circulation and aircore drilling used to obtain 4 metre and 1 metre samples. Spacing variable due to early stage / first pass nature of drilling Drillhole locations set out and picked up using handheld GPS. Sampling carried out under supervision using procedures outlined below including industry standard QA/QC. Sample submitted for analysis by ALS will be crushed, dried, pulverized and split to obtain two sub samples – a 30g charge for precious metal determination via fire assay and a 0.25g sample for analysis for determination of other metals including Ni, Cu, Co, Cr, Pb and Zn. No handheld XRF or other measurement instruments were used on this program.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> RC drilling carried out by Blue Spec Mining using a 5" face sampling hammer. Aircore drilling carried out by Bostech Drilling using 3.5" blade bit to blade refusal. Selected holes extended using "slimline RC" – 3.5" face sampling hammer
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Sample recoveries not measured. Recovery estimated quantitatively and issues also noted qualitatively e.g. "small sample" in sample ledger (digital). Cyclone, splitters and sample buckets cleaned regularly. No assays received therefore relationship between recovery and grade unknown.

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> All holes logged on 1m intervals using visual inspection of washed drill chips. Qualitative logging of colour, grainsize, weathering, structural fabric, lithology, alteration type and sulphide mineralogy carried out. Quantitative estimate of sulphide mineralogy and quartz veining. Logs entered directly into tablet/Toughbook at the drill site. Drilling logs digitally entered into standard templates which use file structures, lookup tables and logging codes consistent with the Azeva.XDB SQL-based exploration database developed by Azeva Group. The drill hole data is compiled, validated and loaded by independent Data Management company, Geobase Australia Pty Ltd. Logging is of sufficient quality to be used in a Mineral Resource estimation, however at this early stage the lithological / alteration / mineralogical features that assist in modelling a Mineral Resource are yet to be determined.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> 1m sub samples from aircore drilling collected by splitting entire 1 metre sample through a 75:25 riffle splitter. The 25% split is collected as the 1m sample, Remainder of this sample split 50:50, with half retained for the 4m composite and half for inspection by the geologist. Retained portions combined to form a 4 metre composite sample which was split down to 3-5kgs using either the 50:50 splitter or the 75:25 splitter depending on sample size. Where the sample was too wet to split it was collected directly from the cyclone and speared. 1m sub samples from RC drilling collected by passing entire 1 metre sample through a cone splitter. 4m sub samples from RC drilling collected by spearing piles of material from each metre of drilling. Areas of interest were sampled at 1 or 2 metre intervals. Where 4 metre composites return anomalous concentrations the 1m sub samples may be submitted for analysis. Anomalous concentrations are yet to be determined but will be based on statistical methods e.g. 2 x the average content of fresh samples from the prospect or intrusive body being tested. A study will determine whether there is any difference/bias between composite and split samples.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> The analytical technique will use a 4 acid digest to maximize the liberation of metals from fresh rock samples and therefore is appropriate for Ni-Cu-PGE exploration. A 0.25g sub samples is analysed using ICP-AES for Ag, Al, As, Ba, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W, Zn. A 30g charge for fire assay is analysed using ICP-AES for Au, Pt, Pd which is standard industry procedure for first pass exploration. More accurate methods will be used in follow-up drilling in areas when precious metals have been determined to be present. The Company uses certified reference materials (CRM) and field duplicates in its QA/QC procedures. CRMs are sourced from Ore Research and Exploration Pty Ltd. One CRM is inserted every 30 samples (composites) or 30 metres (1m sampling) and field duplicates are taken in each hole. The duplicate sample is taken from the opposite side of the splitter as the "original" 4m or 1m sample. As part of the QA/QC process the laboratory's repeat assays (also known as lab duplicates) are reviewed as well as the laboratory's internal standards. No external laboratory checks have been carried out at this stage as the program is aiming to determine the presence / absence of mineralisation. No bias has been observed and accuracy/precision is believed to be acceptable for quoting of Exploration Results. No handheld XRF or other geophysical instrument was used to generate the results quoted above.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No significant results were returned from this drilling and therefore significant intersections have not been calculated. No twin holes have been drilled to date. These would be carried out once a Mineral Resource has been delineated. Primary data was collected using a set of standard digital templates supplied by Geobase Australia which use file structures, lookup tables and logging codes sourced from an SQL-based drillhole database developed by Azeva Group. The drill hole data is compiled, validated and loaded by independent Data Management company, Geobase Australia Pty Ltd. The data is exported into formats to be used in Micromine and Mapinfo software for the company. The QAQC implemented for each assay batch has

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> been interrogated using Azeva.X software with no issue identified No adjustment to assay data has been carried out.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Drillholes have been located using handheld GPS with an accuracy of +/- 5 metres which is acceptable for this stage of the project. No downhole surveys were carried out in this program. Co-ordinates are presented in MGA94 Zone 51. Topographic control is based on topographic data collected as part of a 100 metre spaced aeromagnetic survey carried out in 2002 for a previous explorer.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Aircore drill spacing is 200 metres along traverses across target areas with drilling infilled in places where features of interest had been noted in aeromagnetic or EM surveys, or in drilling. Drillhole spacing's were selected to achieve a first pass test of target areas and to enable bedrock lithologies to be identified as a basis for a geological model to drive future exploration RC drillholes was carried at irregular spacing to enable first pass testing of specific targets identified in 100-200m spaced drilling (carried out by Orion and historical explorers). Once targets have had their potential confirmed the optimum drill spacing will be determined. Drillhole locations were selected to achieve a first pass test of target areas. The mineralised domains have not yet demonstrated sufficient continuity in both geological and grade continuity to support the definition of Mineral Resource and Reserves, and the classifications applied under the 2012 JORC Code. No compositing has been applied to the exploration results.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> The orientation of mineralised structures has not been ascertained. Drilling has been oriented in a direction perpendicular to the interpreted regional structural fabric. Vertical drilling was used to infill historical drilling or where drilling difficulties were encountered. No orientation based sampling bias has been identified in the data at this point.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Chain of custody is managed by the Company. 4 metre composites were stored on site and then delivered directly to ALS Kalgoorlie for

Criteria	JORC Code explanation	Commentary
		processing. 1 metre samples were taken from site to a yard in Kalgoorlie where they were stored behind locked gates.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audits or reviews have been carried out at this stage.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The CE Prospect lies on E39/1654, which is 70% owned by Orion Gold NL. Located on Vacant Crown Land.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Tenement and surrounding area was most recently explored by Western Areas (including a period where a joint venture was formed with Placer Dome Australia) with activities including aeromagnetic survey and RAB/Aircore/RC drilling. Previous explorers in the region include Mineral Search & Development (1970-1972), Payne Associates (1970-1972), Amax Exploration (1970-1972), Glendale Exploration (1970-1971), Elmina Mining (1986-1991), Tulloch-MIM Holdings (1994-1997), Imperial Mining NL/Jason Mining (1994-1996). Exploration was also carried out by the BMR on behalf of the Federal Government (regional magnetic and gravity surveys).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The Peninsula Project is located in the northern portion of the Proterozoic aged Albany-Fraser mobile belt. The Project is underlain by the Fraser and Biranup Zones of the Orogen as well as intrusive bodies which have been referred to as the Plumridge Complex. The target is Ni-Cu-PGE mineralisation hosted within mafic intrusions analogous to the Nova Ni-Cu-Co Deposit (WA), the Voiseys Bay Deposit (Canada) and the Thompsons Bay Deposit (Canada).
Drill hole information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information 	<ul style="list-style-type: none"> Coordinates (easting, northing, RL), collar dip and azimuth and total depth were tabulated in ASX release 17 March 2014.

Criteria	JORC Code explanation	Commentary
	<p>for all Material drill holes:</p> <ul style="list-style-type: none"> o easting and northing of the drill hole collar o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar o dip and azimuth of the hole o down hole length and interception depth o hole length. <ul style="list-style-type: none"> • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • The location of all drillholes is shown on Figure 3.
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No significant results were returned therefore no intercepts are presented
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • All intersections to be reported are downhole widths. • True widths are unknown at this time as the geometry of the mineralisation has not been determined.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Drillhole plan shown as Figure 3. • Further diagrams showing interpreted geology and significant results will be presented once petrographic analysis of drill samples has been incorporated with the current geological interpretation for the prospect (based on aeromagnetic data). This will enable the geological interpretation to be as robust as possible.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> • All results are shown on Figure 3. • Figure 3 shows all results from drilling to allow review.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> The Company's previous ASX releases have detailed exploration works including historical drilling, geological mapping, results of airborne and ground EM surveys and preliminary results from ground gravity surveys.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> The Company plans to follow up with further exploration in target areas around the CE Prospect,

Appendix 2: Mineral Resources at the Walhalla Gold Project.

Walhalla Gold Project – In situ Mineral Resources				
Deposit	Cut-off Au g/t	Inferred		
		Tonnes	Au g/t	Ounces Au
Tubal Cain	2 ¹	932,000	4.10	122,900
Eureka ²	4	153,000	9.90	49,200
Cohen's	2	825,000	3.63	96,300
Total		1,910,000	4.37	268,400

Notes:

1. The 2g/t applies to the bulk of the deposit, below the 475mRL. Above this depth a 1g/t cutoff is used as surface mining may be able to be used for this portion of the deposit.
2. The Eureka Deposit was estimated based on the 2004 JORC Code and has been "grandfathered" in accordance with the 2012 JORC guidelines as there has been no material change to the Mineral Resource.
3. Further information on these Mineral Resources is included in the December 2013 Quarterly Activities Report and it is recommended that these resources are reviewed in conjunction with this information.

Walhalla Gold Project – Exploration Targets			
Deposit	Tonnage Range	Grade range (Au g/t)	Contained Ounces Range (Au)
Tubal Cain	500,000 – 1,500,000	1.5 – 2.5	25,000 – 120,000
Cohen's	100,000 – 300,000	2 – 4	5,000 – 40,000
Total	600,000 – 1,800,000	1.6 – 2.8	30,000 – 160,000

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. The information in this announcement relating to Exploration Targets should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. The Exploration Targets cover areas where there has been insufficient exploration to define a Mineral Resource which complies with the JORC Code, and it is uncertain if further exploration will result in the determination of a Mineral Resource. The potential tonnages and grades presented in these Exploration Targets are conceptual in nature.