

17 February 2015



## Initial Drill Results Provide Strong Evidence for Major Epithermal Gold-Silver System at Connors Arc Project, Queensland

**ASX Code:** ORN

**Issued Capital:**

Ordinary Shares: 306M

Options: 89M

**Directors:**

**Denis Waddell**  
Chairman

**Errol Smart**  
Managing Director, CEO

**Bill Oliver**  
Technical Director

**Alexander Haller**  
Non-Executive Director

**Management:**

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Company Secretary

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*Encouraging early results from priority assaying confirm presence of extensive intermediate sulphidation epithermal system, and provide valuable vectors for follow-up drilling.*

**Highlights:**

- Wide zone of veining intersected in hole AFRCD012 at Aurora Flats with indications the zone is proximal to, but above the interpreted peak depositional interval where higher grade mineralisation could be expected to occur.
- System confirmed to be very shallow in the epithermal profile.
- Gold and silver tenors appear to improve northward along trend.
- Western flank of vein corridor appears more prospective.
- \$1.22 million R&D Tax Incentive rebate received, allowing Orion to maintain its current exploration momentum at Connors Arc.
- Follow-up drilling scheduled to commence mid-March.

Orion Gold NL (ASX: **ORN**) is pleased to advise that initial assay results from recently completed drilling at the Aurora Flats Prospect within its 100%-owned **Connors Arc Epithermal Gold-Silver Project** in Central Queensland have provided strong indications that the project hosts a potentially world-scale epithermal gold-silver system.

Diamond hole AFRCD012 intersected a 20m wide, highly altered zone with strong epithermal veining, vein breccia and quartz stockwork from 229m – 245m down-hole (approximately 200m below surface).

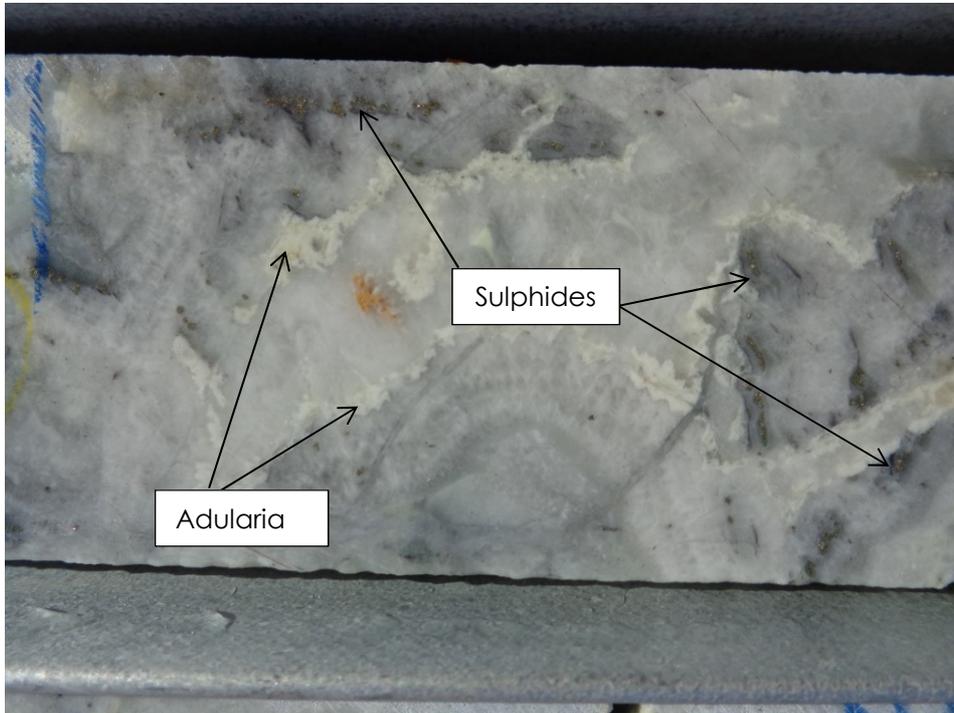


**Figure 1:** Zone of epithermal veining intersected 229m – 245m AFRCD12.

The zone is interpreted to lie proximal to, but slightly above the optimal interval for precious metal deposition. While being above the interpreted optimal depth, a wide zone of low-grade gold and silver at this elevation in the system bodes well for discovery of a significant high-grade zone below.

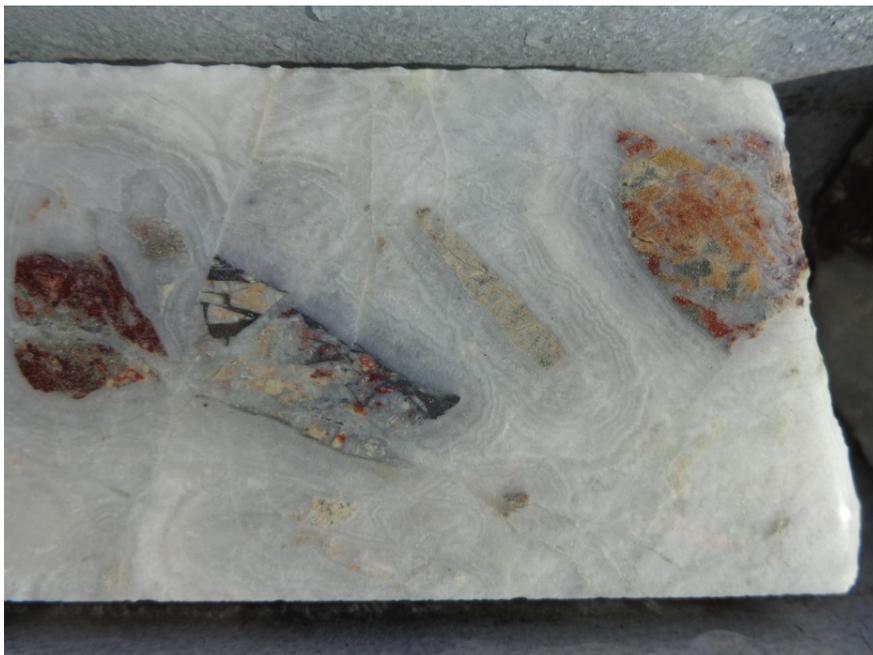
The zone returned intersections of **9m at 0.45g/t Au and 27.7g/t Ag** from 229m down-hole, including **3m at 1.10g/t Au and 59.0g/t Ag** from 235m and peak grades of **1.92g/t Au and 91.5g/t Ag over 1.0m** from 236m.

The intersection exhibits mineralogy indicative of the uppermost reaches of the boiling zone in an epithermal system and includes illite, adularia and accumulations of very fine-grained sulphides in veinlets and clusters.



**Figure 2:** Epithermal textured quartz, adularia veining with sulphides in AFRC012.

Furthermore, extremely well developed, intricate colloform, crustiform and concentric epithermal veining provides a strong visual indicator (Figures 2 and 3).



**Figure 3:** Concentric, finely banded epithermal textures surrounding breccia clasts in matrix of quartz-adularia veining (AFRC012).

Importantly, the section shown as Figure 4 below shows a widening channel of gold and silver values as the intersections get deeper, together with increasing peak tenors over a width of 1m.

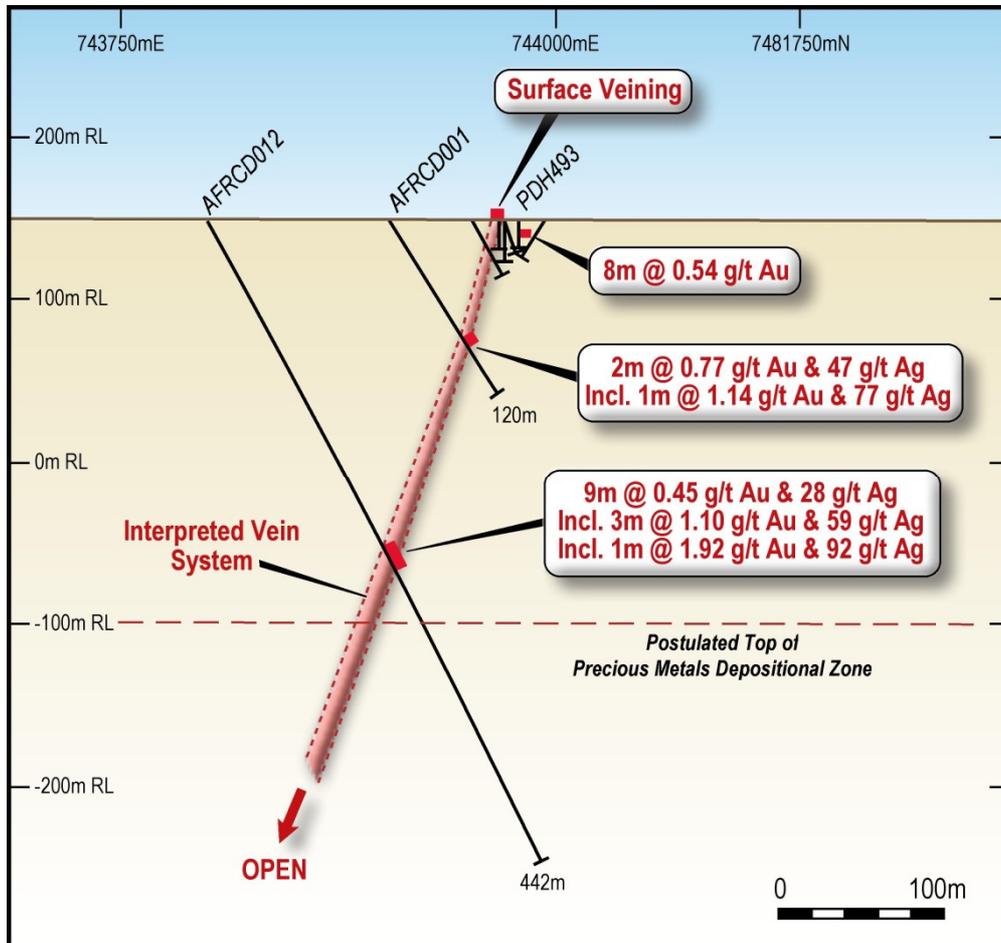
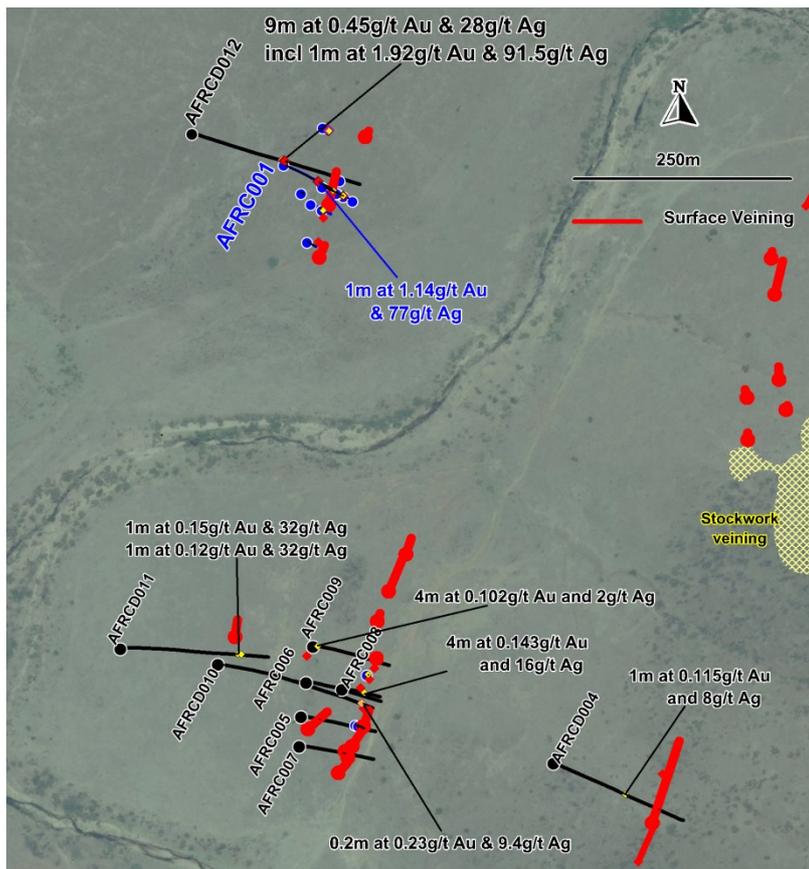


Figure 4: Cross section (top) and plan (below) showing AFRC012 and historical drilling.



AFRCD012 has intersected the widest vein zone, with most strongly developed textures of this first phase drill program. It is very important that the highest precious metal results on the prospect have coincided with the best textures and alteration mineralogy. From the plan shown in Figure 4 it can be seen certain key trends are emerging, with the western flank of the vein corridor appearing more prospective and precious metal endowment appearing to increase to the north. Follow up work will endeavour to refine and test these observations.

### **Update on Sampling and Assaying**

All high priority precious metal results from the Aurora Flats prospect have now been received. The majority of these are for vein intersections above the optimal depth of 250m below surface. Several anomalous zones of >0.1g/t Au have been intersected (Appendix 1) and the results are being interpreted together with multi-element geochemistry and short-wave infrared scanning results to develop targets for deeper drilling in follow-up programs.

Multi-element assays, which are considered of high importance in the evaluation of the drill program, are still awaited for most of the Aurora Flats sampling, as are all assays from follow-up sampling, including 135 1m RC samples from intervals within the 12 holes drilled with quartz veining >5%.

These RC samples are all expected to be above the zone of high grade precious metals, but will provide important trace element geochemical data to assist with targeting of future, follow-up drilling. Systematic follow-up sampling of diamond core is still progressing.

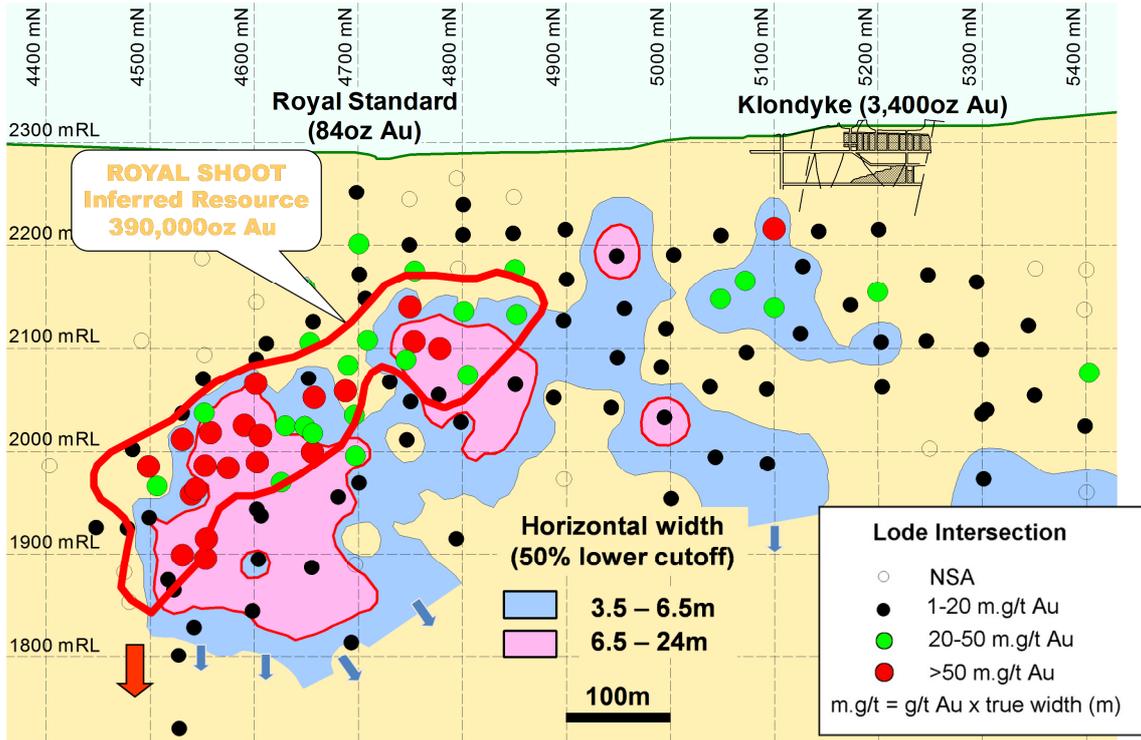
Assay results from the Veinglorious prospect also remain outstanding, but are expected to be returned shortly and will be announced once complete and interpreted.

### **Future Program**

Orion is planning follow-up drilling to target the precious metal depositional horizon interpreted to underlie the AFRCD012 intersection (possibly down-plunge), with drilling expected to re-commence mid-March 2015.

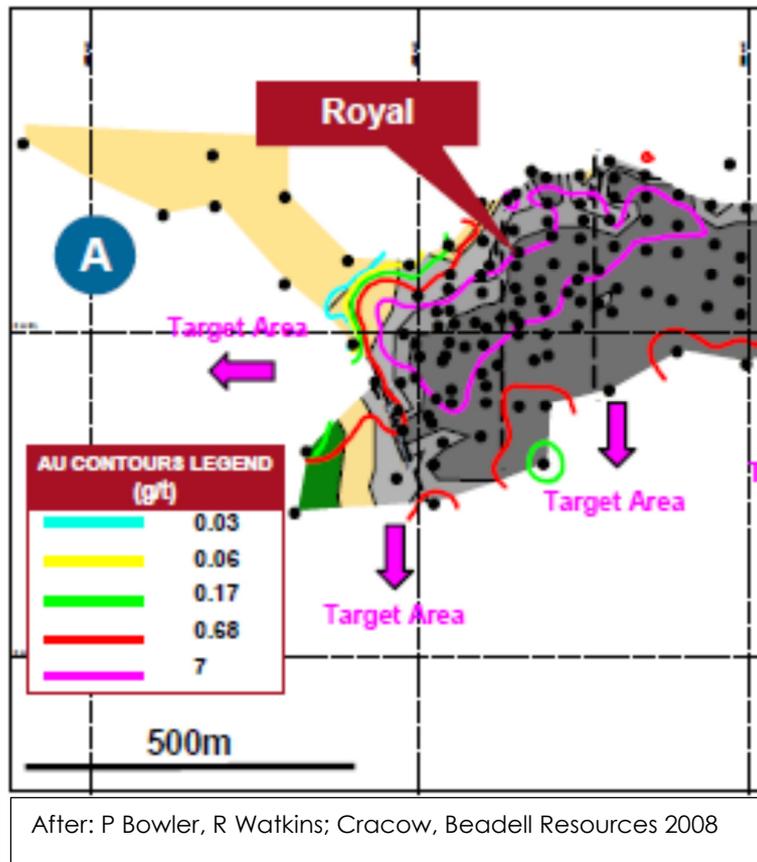
Orion Gold's Managing Director, Mr Errol Smart, said the Company was very encouraged by the initial results from its Phase 1 drilling at Connors Arc, with initial assay results providing the strongest evidence to date that it could be on the cusp of a major intermediate sulphidation epithermal gold-silver discovery with provincial implications.

"Our geological team interprets the AFRCD012 intersection to possibly be analogous to a similar zone encountered at the Cracow Mine at the elevation above 2100mRL, between 4900mN – 5000mN, as shown in Figure 5 below," Mr Smart said.



Creenaune P, Braund K, McLeod R 2003 - The Cracow gold project, Cracow, Queensland, a discovery case history

Figure 5 Cracow Mine, Royal Shoot (2002). Vein width and distribution of gold.



After: P Bowler, R Watkins; Cracow, Beadell Resources 2008

Figure 6: Grade contours for Royal Shoot Cracow, showing dramatic grade transition.

"At Cracow, the discovery team documented the dramatic and abrupt transition from low level gold to very high values often within only a few metres (Figure 6). Vein textures, which are considered a very important visual indicator and mineralogy described at Cracow are very closely analogous to what are being observed at AFRC012," he continued.

"The next phase of deeper drilling will provide a definitive test of this theory and could lead us to the centre of the system relatively quickly," Mr Smart said. "We are very pleased that we are in a position to press ahead with the next phase of testing immediately, thanks to the R&D tax incentive rebate which we have just received from the Federal Government".

"This will enable us to maintain our current exploration momentum and move closer towards our objective of discovering a world-class gold-silver system," he said.

### **Funding Update**

The Company has received a Research and Development ('R&D') Tax Incentive rebate from the Australian Taxation Office of \$1.22 million. During the year ended 30 June 2014 Orion incurred eligible R&D expenditure from which the rebate was calculated. The Company is now well funded to advance follow up programs on both Fraser Range Ni-Cu Projects and the Connors Arc Epithermal Au-Ag Project.



Errol Smart  
**Managing Director and CEO**

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### **About Orion**

Orion Gold is focused on acquiring, exploring and developing large tenement holdings or regional scale mineral opportunities in world-class mineral provinces. The Company has acquired quality projects in proven mineral provinces, including a substantial tenement holding in the Albany-Fraser Belt, host to Australia's two most significant discoveries of the last decade (the Tropicana Gold Deposit and the Nova Nickel-Copper-Cobalt Deposit). Part of this tenement holding was acquired from entities associated with Mark Creasy who is now a significant shareholder in Orion. The project area was previously explored by Western Areas Ltd who identified mafic-ultramafic intrusives within the project area as well as nickel-copper-cobalt-PGE anomalies. Orion's intensive, systematic exploration programs have successfully defined 23 targets to date by a combination of geological, geochemical and geophysical methods.

The Company has also secured a large tenement package on the Connors Arc in Queensland, where a significant intermediate sulphidation, epithermal gold and silver system has been identified at Aurora Flats. The project lies between the well known Cracow and Mt Carlton epithermal deposits. The Company is increasing its focus on this project, following promising reports from expert consultants.

Additionally, the Company has an interest in the Walhalla Project located in Victoria, where it is focusing on exploration for Copper-PGE and has entered into an agreement with A1 Mining regarding the gold rights on the tenements.

The Company has an experienced management team with a proven track record in exploration, development and adding shareholder value.

### **Competent Persons Statement**

The information in this report that relates to Exploration Results at the Connors Arc Project complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code") and is based on information compiled by Mr Bruce Wilson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Wilson is the Principal of Mineral Man Pty Ltd, a consultant to 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 Wilson 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 3.

### **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: Significant Intersections from Orion drilling at the Connors Arc Project.**

Hole ID	Intercept Data			Assay Data										
	From	To	Length	Au (ppm)	Ag (ppm)	As (ppm)	Ba (ppm)	Cu (ppm)	Mn (ppm)	Pb (ppm)	Rb (ppm)	Sb (ppm)	Te (ppm)	Zn (ppm)
AFRC003	202	202.5	0.5	0.151	9.0	14.4	40	131.5	12	913	66.8	3.53	6.06	758
	253.6	254.4	0.8	0.123	22.0	17.6	35	32.7	149	715	76.1	4.21	13.05	823
AFRC004	174.8	175.8	1.0	0.115	7.8	26.9	240	71	474	85.7	131	4.21	5.86	49
AFRC008	52	56	4.0 <sup>c</sup>	0.143	16.3	108.5	240	165	667	96.5	159.5	6.74	22.90	136
AFRC009	8	12	4.0 <sup>c</sup>	0.102	2.3	31.0	430	43.3	1040	19.2	45.8	1.81	2.45	136
AFRC011	290.8	291.8	1.0	0.154	31.8	5.0	340	31.4	515	56.4	154.5	2.14	20.00	90
	300.5	301.5	1.0	0.123	32.0	4.5	210	86.5	314	71.8	123.0	3.28	21.3	67
AFRC012	229	238	9.0	0.453	27.7	<i>Trace element results awaited</i>								
<i>including</i>	235	238	3.0	1.101	59.0	<i>Trace element results awaited</i>								
<i>including</i>	236	237	1.0	1.92	91.5	<i>Trace element results awaited</i>								

1. All intersections > 0.5m >0.1g/t gold are quoted.
2. Intersections are from diamond drilling except for intervals marked with "r" (RC sample) and "c" (composite RC sample).
3. Location and azimuth data for all holes in the drill program are shown in Appendix 2. It is recommended that the supporting information contained in Appendix 3 is read in conjunction with these results.

**Appendix 2: Location data for Orion drilling at the Connors Arc Project.**

Hole ID	Prospect	Hole Type	Collar Location (MGA94 Zone 55)			Collar Direction		Total Depth
			Easting	Northing	RL	Dip	Azimuth	
AFRCD003	Aurora Flats	DD	743969	7480332	142	-60	115	411.4
AFRCD004	Aurora Flats	DD	744219	7481136	170	-60	105	315.8
AFRC005	Aurora Flats	RC	743928	7481190	147	-60	90	180
AFRC006	Aurora Flats	RC	743934	7481230	148	-60	90	180
AFRC007	Aurora Flats	RC	743926	7481156	144	-60	90	180
AFRC008	Aurora Flats	RC	743975	7481222	148	-60	90	90
AFRC009	Aurora Flats	RC	743942	7481272	149	-60	90	180
AFRCD010	Aurora Flats	DD	743832	7481251	146	-60	94	357.6
AFRCD011	Aurora Flats	DD	743720	7481269	146	-60	80	373
AFRCD012	Aurora Flats	DD	743802	7481868	149	-60	100	442
VGRC001	Veinglorious	RC	744258	7486248	195	-60	146	180
VGRC002	Veinglorious	DD	744129	7486261	195	-60	150	241
VGRC003	Veinglorious	DD	744129	7486261	195	-90	000	147
VGRC004	Veinglorious	RC	744187	7486193	195	-60	145	100

**Appendix 3: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results.**

**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"> <li>Nature and quality of sampling (eg 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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core drilling used to obtain NQ2 sized core.</li> <li>RC precollars sampled with both 4m (spear sampling) and 1m samples (split samples).</li> <li>Drill spacing variable due to early stage nature of drilling, central zone drilled at 40m intervals along section with holes also stepped out 40m and 40m south.</li> <li>Sampling carried out under supervision using procedures outlined below including industry standard QA/QC.</li> <li>Samples submitted for analysis by ALS is 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.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).</li> </ul>	<ul style="list-style-type: none"> <li>Both reverse circulation (RC) and diamond core drilling have been carried out.</li> <li>RC drilling uses 5 ½" face sampling hammers.</li> <li>Diamond drilling uses NQ2 sized core, oriented using ACT Mk 2 orientation kit.</li> <li>For diamond holes (marked as "DD" in "Hole Type" column in Appendix 2) RC precollars are drilled to approximately 150 metres before changing to core drilling.</li> <li>All drilling carried out by DDH1 Drilling Pty Ltd.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Core recoveries measured using standard techniques.</li> <li>RC recoveries measured qualitatively.</li> <li>Cyclone, splitters and sample buckets cleaned regularly.</li> <li>No grade variation with recovery noted.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and</li> </ul>	<ul style="list-style-type: none"> <li>All holes logged on 1m intervals using visual inspection of washed drill chips</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<p>and both full and split core.</p> <ul style="list-style-type: none"> <li>• Qualitative logging of colour, grainsize, weathering, structural fabric, lithology, alteration type and sulphide mineralogy carried out.</li> <li>• Quantitative estimate of sulphide mineralogy and quartz veining.</li> <li>• Logs recorded at the drill site and entered into digital templates at the project office.</li> <li>• Drilling logs transferred 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.</li> <li>• 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 modeling a Mineral Resource are yet to be determined.</li> </ul>
<p><i>Sub-sampling techniques and sample preparation</i></p>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Results announced for core samples are from half core, sawn on site. Core is oriented and marked up so that the same side is always sampled.</li> <li>• 1m sub samples from RC drilling collected by passing entire 1 metre sample through a cone splitter.</li> <li>• 3m sub samples from RC drilling collected by spearing piles of material from each metre of drilling. The intention is that where the composite samples return anomalous values the 1m samples will be submitted.</li> <li>• Sample preparation was undertaken at ALS Laboratory Townsville, an ISO accredited laboratory. ALS utilises industry best practise for sample preparation for analysis involving drying of samples, crushing to &lt;5mm and then pulverising so that +85% of the sample passes 75 microns.</li> <li>• Lab supplied CRM's, blanks and replicates are analysed with each batch. Given the reconnaissance nature of the sampling no additional QA/QC measures were undertaken.</li> </ul>
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been</i></li> </ul>	<ul style="list-style-type: none"> <li>• The primary analytical technique uses an aqua regia digest to maximise the leaching of precious metals from the sample. A 0.25g sub samples is analysed using ICP-MS for Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, U, V, W, Zn and Zr.</li> <li>• A 30g charge for fire assay is analysed using ICP-AES for Au which is standard industry procedure for first pass exploration.</li> <li>• No external laboratory checks have been carried out at this stage due to the preliminary nature of exploration. It is also too early to identify any bias or similar.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>established.</i>	
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• The calculation of significant intersections has been carried out by the Technical Director and verified by the Managing Director by comparison with intersections generated from the digital database by the independent data management company Geobase Australia Pty Ltd. Field duplicates and standards submitted with the relevant assay batches have been reviewed as well as the laboratory duplicates and laboratory QA/QC data supplied. The cuttings and sample ledgers from these intervals have also been inspected.</li> <li>• Drillhole location data and geological observations were recorded in the field and manually entered into an Excel spreadsheet.</li> <li>• Data was later transferred into the Company's electronic database 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.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• All drillholes pegged out using handheld GPS and distance/bearing from previous holes (historical and this campaign) or vein outcrops.</li> <li>• Drillholes will be picked up by dGPS survey to sub metre accuracy by Terrex Spatial.</li> <li>• Historical drillholes have had location confirmed/amended using dGPS survey by Terrex Spatial.</li> <li>• Co-ordinates are presented in MGA94 Zone 55.</li> <li>• Downhole surveys use single shot survey tool, with downhole gyro survey carried out on selected holes post drilling to validate direction data.</li> <li>• Topographic control is based on topographic data derived from public data.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Drillhole spacing of approx. 40m along strike aimed to accurately map epithermal veins in subsurface.</li> <li>• Down dip test spaced at 100m along section to systematically test veins in the subsurface.</li> <li>• Insufficient data to map grade distribution at this time, once further drilling is carried out the appropriate data spacing to accurately estimate grade distribution will be better understood.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Drilling carried out perpendicular to mapped veins.</li> <li>• Structural measurements indicate that the azimuth of drilling is perpendicular to the orientation of these veins.</li> <li>• No orientation based sampling bias has been identified in the data at this point.</li> </ul>

Criteria	JORC Code explanation	Commentary
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Chain of custody is managed by the Company. Samples were stored on site and then freighted directly to ALS Townsville.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews have been carried out at this stage.</li> </ul>

## **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"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>EPM/EPMA's 19825, 25122, 25283, 25703, 25708, 25712, 25714, 25763, 25764 and 25813 are 100% owned by Orion Gold NL.</li> <li>The Connors Arc Project is overlain by claims by the Barada Kabalbara Yetimarala People and the Barada Barna People. Orion Gold NL has agreed an ancillary agreement with the Barada Kabalbara Yetimarala People relating to exploration of the Connors Arc Project.</li> <li>The Connors Arc Project is also overlain by a number of pastoral leases. Orion Gold NL is following all relevant DNRM procedures relating to access and entry in its exploration of the Connors Arc Project.</li> <li>Over and above its legislative requirements Orion Gold NL is committed to maintaining strong beneficial relationships with stakeholders and landowners in the region and using industry best practise in its exploration.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The Connors Arc Project and adjacent areas was most recently explored by SmartTrans Holdings Ltd (formerly Coolgardie Gold NL) (including periods where joint ventures were formed with Marlborough Gold and Newcrest Mining). The focus of most exploration activities was the Mount Mackenzie deposit, outside Orion's Project area.</li> <li>Exploration activities across the Project area included surface geochemical sampling, open hole percussion drilling and RC percussion drilling.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Connors Arc Project is located in the central portion of the Connors Arc, a "fossil" magmatic arc active during Permo-Carboniferous time.</li> <li>The target is epithermal gold-silver mineralisation similar to the Cracow and Mt Carlton Deposits.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</li> </ul>	<ul style="list-style-type: none"> <li>Appendix 1 lists all the significant intersections in drilling at the Connors Arc Project by the Company to date.</li> <li>Appendix 2 lists collar and dip/azimuth data for all drilling carried out by the</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> <ul style="list-style-type: none"> <li>• 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.</li> </ul>	<p>Company to date.</p> <ul style="list-style-type: none"> <li>• Location and intersection data for historical drilling was re-stated for completeness/clarity in ASX Release of 21 January 2015, although no material change has occurred since the original release of this data to the ASX on 15 July 2013.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregations should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Significant intercepts in Appendix 1 were calculated by averaging the length weighted assay results for Au, Ag and other trace elements within the interval in question.</li> <li>• Intercepts presented are all assays &gt; 0.1g/t Au, and 1g/t Au where present, as this is believed to be significant in the context of the geological setting.</li> </ul>
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• All intersections to be reported are downhole widths.</li> <li>• True widths are unknown at this time as the geometry of the mineralisation has not been determined.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• Drillhole location plan shown as Figure 2 in ASX Release 4 February 2015.</li> <li>• Figure 4 shows intersection from AFRCD012 on cross section along with historical drilling.</li> <li>• Further geological diagrams will be shown once trace element and SWIR data has been collated and interpreted.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• All significant results are reported in Appendix 1.</li> </ul>
Other substantive	<ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical</li> </ul>	<ul style="list-style-type: none"> <li>• The Company's previous ASX releases have detailed exploration works on the Connors Arc Project and results/conclusions drawn from these.</li> </ul>



Criteria	JORC Code explanation	Commentary
exploration data	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.	
Further work	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>• More detailed on further work will be available following receipt and interpretation of assays from the current program.</li> </ul>