

6 November 2015

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

Ordinary Shares: 306M

Options: 37M

**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 ManagerSuite 2  
64 Thomas Street  
West Perth WA 6005  
ABN 76 098 939 274**T:** +61 8 9485 2685  
**E:** [info@oriongold.com.au](mailto:info@oriongold.com.au)

## Orion Set to Commence New Phase of Drilling at Connors Arc Epithermal Gold-Silver Project, Queensland

*Drill rig mobilising to test vein discoveries at Veinglorious and new targets at Aurora Flats with initial results expected in December*

**Highlights:**

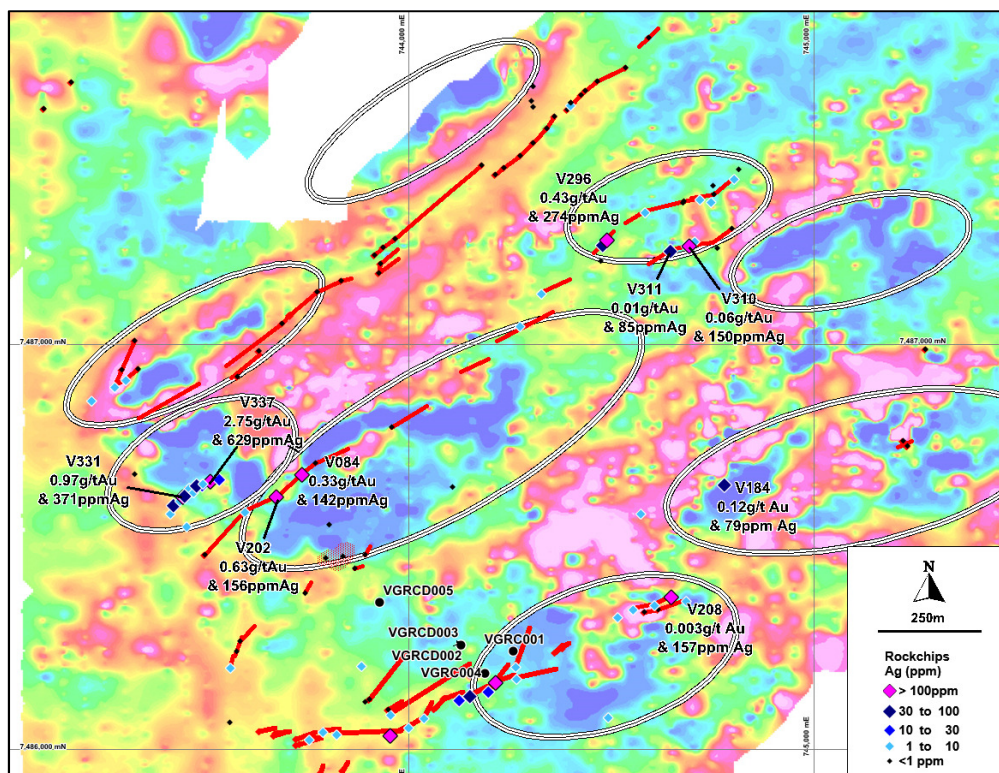
- Imminent drilling program will test epithermal vein discoveries north of Veinglorious and new targets identified from geochemical and geophysical surveys at Aurora Flats.
- Drilling at Veinglorious will test below surface samples which returned assays of >100g/t silver and included an exceptional sample grading 2.75g/t gold and 629g/t silver.
- Drilling at Aurora Flats Prospect will test new geochemical and geophysical anomalies identified in recent work programs.
- Drill rig currently being mobilised, with drilling expected to commence within days.

Orion Gold NL (ASX: ORN) is pleased to advise that drilling is set to commence within days at its 100%-owned **Connors Arc Epithermal Gold-Silver Project** in central Queensland.

A drill rig is currently mobilising to site to test a number of targets defined in the Company's recent exploration programs including:

- Testing below highly anomalous gold and silver results from sampling of new epithermal vein discoveries at the Veinglorious Prospect; (refer Figure 1; ASX Release – 22 September 2015)
- Testing below newly discovered outcrops of epithermal quartz veins (+2 kilometre strike length with multiple swarms present); and (refer ASX Releases – 14 July 2015 and 22 September 2015)
- Testing coincident geochemical and geophysical anomalies defined in the Company's soil sampling and high resolution ground magnetic surveys at Aurora Flats. (refer Figure 2; ASX Releases – 29 May 2015 and 14 July 2015)

First results from drilling are anticipated in December 2015 and it is likely that drilling will continue into 2016 (inclusive of a short break for Christmas and New Year).



**Figure 1:** Plan showing high resolution total magnetic intensity (TMI) ground magnetic data, with white circles indicating magnetic low anomalies correlating to epithermal vein systems. Also shown are mapped epithermal vein outcrops and silver results from rockchip sampling.

At the **Veinglorious Prospect**, drilling will provide an initial test of two major vein swarms parallel to the original epithermal vein system discovered during fieldwork earlier this year (refer ASX Releases 14 July 2015 and 22 September 2015).

Results from systematic rock-chip sampling of these vein swarms returned strongly anomalous gold and silver assays in a number of samples (refer Figure 1, ASX Release 22 September 2015).

Encouragingly, the majority of the anomalous samples were from the same vein segment immediately north of the Veinglorious prospect, which will be one of the earliest targets to be tested in the drill program.

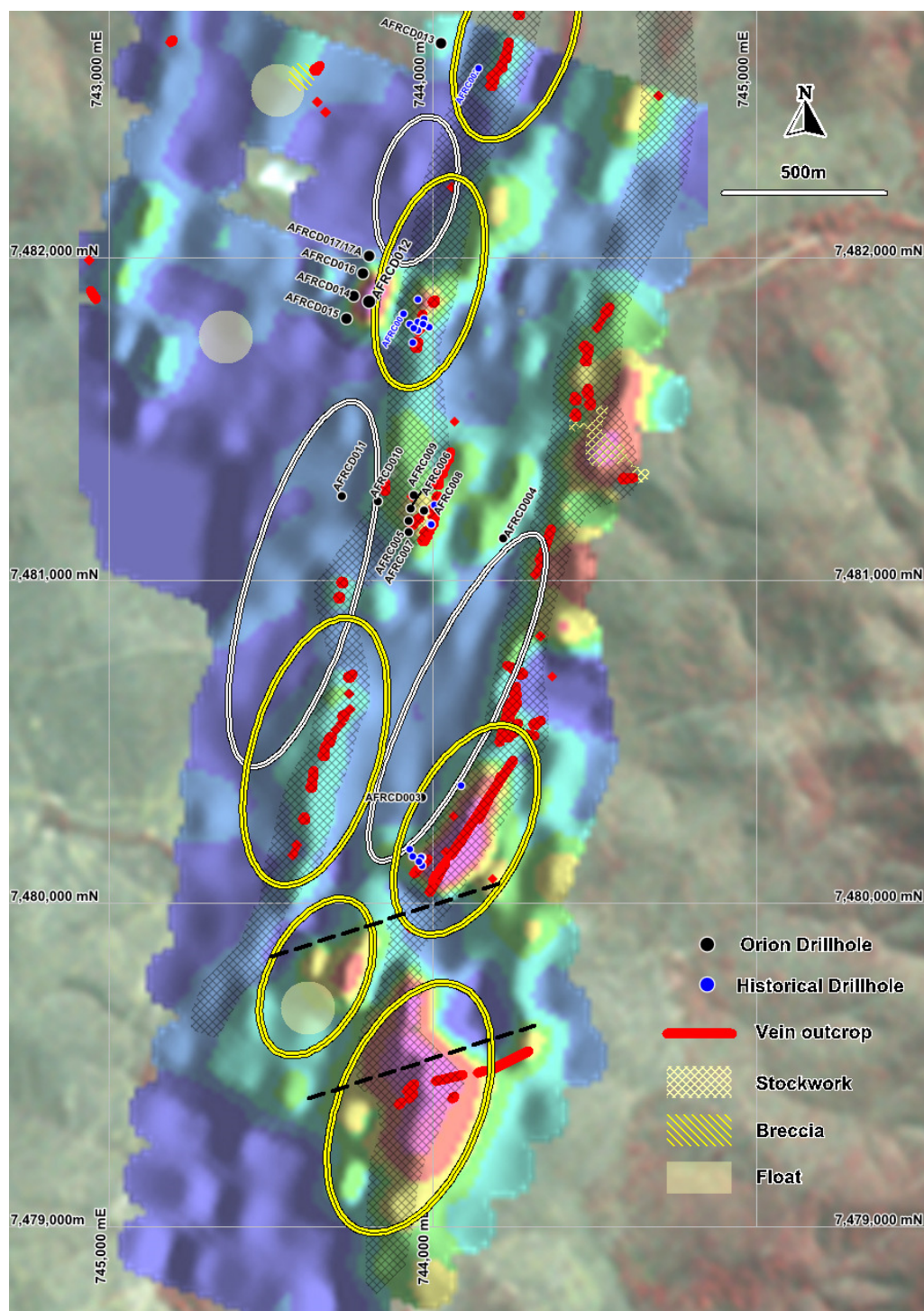
Five samples of the thirty nine taken from this vein swarm returned high-grade silver assays of greater than 100g/t silver (samples V202, V296, V310, V331 and V337) – being levels at which silver mineralisation with gold as a by-product is of economic interest.

The western portion of this vein swarm also returned anomalous and mineralised gold assays with peak values of **2.75g/t gold** in V337 and **0.97g/t gold** in V331 (total of 12 samples taken, refer ASX Release 22 September 2015). This vein exhibits a range of epithermal textures and vein forms including parallel stringers, vein breccia, massive veining and stockwork over widths of up to 20 metres. Adularia is also present in discrete concentrations within the vein.

Drilling will also test other areas of the epithermal system at Veinglorious to enable characterisation of the metal content and pressure-temperature conditions under which the veins were deposited. With the cumulative strike length of all veins mapped estimated to be approximately 4.2 kilometres, systematic exploration will ensure that the entire vein swarm is adequately tested.



At Aurora Flats, drilling will initially focus on the southern area of the prospect which has not previously been drilled by Orion. This area was highlighted in a review of the Phase 1 and 2 drill program by Prof Noel White and Dr Scott Halley, with its prospectivity confirmed by a recent soil sampling survey (refer Figure 2; ASX Releases 14 July 2015 and 22 September 2015).



**Figure 2:** Plan showing results of soil sampling program at Aurora Flats. Image shown is a gridded additive index of Au+Ag+Bi+Mo+Sb+Te utilising a z score method of normalising each result using the mean and standard deviation of results for each element. Anomalous areas (or geochemical targets) are circled in yellow with white circles indicating target areas down dip with magnetic low anomalies (refer ASX Release 29 May 2015). Also shown are mapped epithermal vein outcrops and drilling carried out to date. The black dashed lines indicate the apparent ENE-WSW trends offsetting both the geochemical and geological trends in the southern areas.

As detailed in the ASX Release of 29 May 2015, the Company's technical team, advised by Prof Noel White, has concluded that the veins intersected in drilling have all deposited at sub-optimal temperatures for gold deposition. First-pass drill testing of the southern area will allow results to be compared with those from the Company's earlier drill programs and a model of the epithermal system to be developed, especially of changes in the pressure-temperature conditions of deposition along strike and with depth.

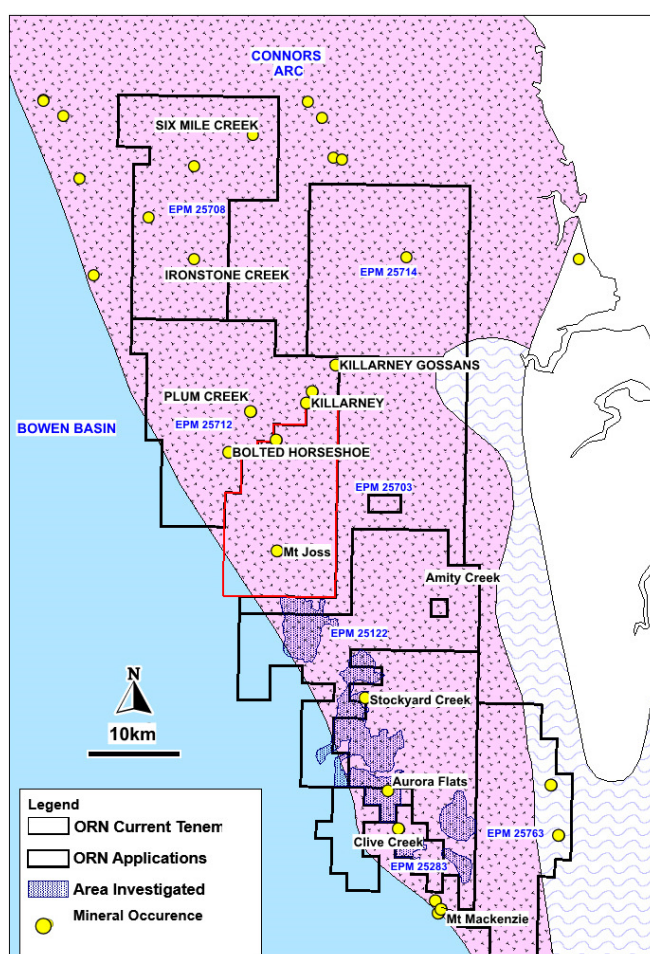
The drill program will also test the strong southern anomaly, which appears to coincide with the intersection of different structural trends (refer Figure 2, ASX Release 22 September 2015).

Orion's Managing Director and CEO Errol Smart commented:

*"We are looking forward to the results of this drill program, which we believe will be a key step towards unlocking the epithermal mineralisation at the Connors Arc Project. The planned program builds on the extensive and highly successful targeting work undertaken at Connors Arc over the past 18 months and will see a number of highly prospective areas tested."*

### Grant of New Tenements

Orion has been informed of the grant of tenements EPM25703, EPM25708, EPM25712 and EPM25714 (Figure 3). The Company is proceeding with surface access agreements with the objective of accessing these tenements in coming months. A number of known epithermal gold and silver occurrences are located on these tenements (shown on Figure 3) including the Killarney Project, which was previously held by Invictus Gold Limited prior to its merger with Impact Minerals Limited.



**Figure 3:** Location of recently granted tenements in the Connors Arc Project including identified mineral occurrences (source: DNRm data).

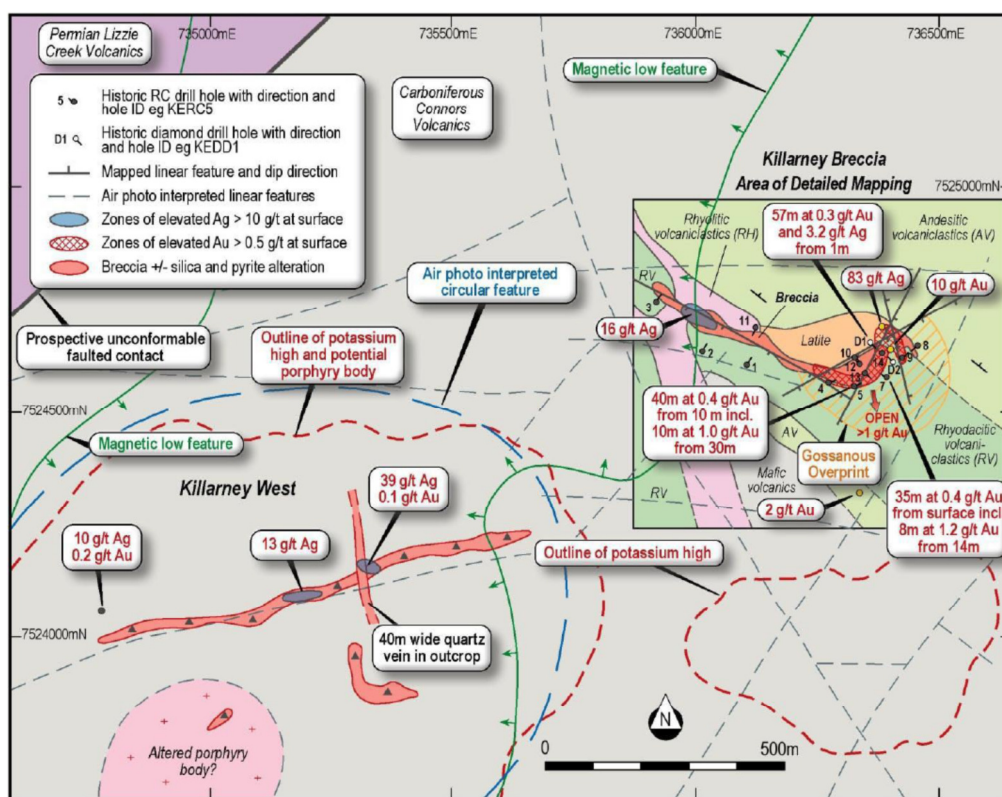


The following comments are taken verbatim from the Independent Expert's Report which accompanied the Scheme of Arrangement for the Impact-Invictus merger (released to the ASX on 28 October 2013):

"Invictus Gold has completed a comprehensive review and synthesis of previous exploration data, an ASTER image alteration mineral mapping study and an interpretation of the surface geology of the Killarney Project. Seven high-priority prospects for follow-up work have been identified. These areas have potential for high-sulphidation epithermal, low sulphidation epithermal, and porphyry style mineralisation.

The Killarney Breccia Prospect comprises 700 m of outcropping breccia which is weakly mineralised at surface. Previous drill intercepts include 57 m at 0.3 g/t gold and 10 m at 1.0 g/t gold. The prospect has not been explored since the 1990's and Invictus has highlighted the possibility of a large scale blind gold-silver-copper mineralised system at depth. Extensions to the known mineralisation at Killarney Breccia are drill-ready targets. Induced Polarisation ground geophysical surveys are recommended over the area to locate blind disseminated sulphides associated with gold-copper-silver mineralisation. The geology of the Killarney breccias is shown in Figure 3-8. (Note – reproduced as Figure 4 below).

Porphyry Targets are also identified in the northern part of the Killarney tenements associated with the alteration zone and also with northeast striking cross structures. These include the White Bluff Porphyry and Simpson's Find prospects. The White Bluff porphyry prospect is in an intrusive suite of monzogranite – microgranite – granodiorite – aplite rocks with cross-cutting, north-south striking andesitic and rhyolite dykes with varying degrees of high-temperature porphyry related propylitic, sericitic, and silica alteration +/- zones of chalcopyrite – pyrite – molybdenum mineralisation."



**Figure 4:** Killarney breccia and Killarney West breccia vein (source: reproduced from Independent Expert's Report which accompanied the Scheme of Arrangement for the Impact-Invictus merger (released to the ASX on 28 October 2013)).

*"Further potential exists throughout the project area with the recognition of volcanic centres from the interpretation of stereoscopic aerial photographs and the presence of poorly explored breccia targets identified from previous exploration work. A detailed magnetic survey over the project is also recommended to further refine these target areas."*

Orion intends to verify the data presented by Invictus by field checking (including re-sampling) and data validation. Following this verification program, a similar exploration program to that already implemented at the Aurora Flats and Veinglorious Prospects will follow, incorporating elements recommended above.



Errol Smart  
**Managing Director and CEO**

#### **Company Enquiries:**

Errol Smart – Managing Director and CEO  
Denis Waddell – Chairman  
T: +61 8 9485 2685  
E: [info@oriongold.com.au](mailto:info@oriongold.com.au)

#### **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 which 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 34 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 owns the Walhalla Project located in Victoria, which is prospective for gold, copper – nickel and PGEs.

As part of its longer term growth strategy, Orion Gold continually reviews new business opportunities. Against the backdrop of depressed conditions in the junior resource industry worldwide, a number of opportunities have recently been presented to the Company which are currently under review including a South African-based holding company with advanced gold and base metal assets.

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.

## **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.