Orion Gold NL

Connors Arc Epithermal Gold-Silver Project, Queensland – Exploration Update

Latest work demonstrates the scale of the epithermal system and provides further vectors for follow-up exploration

Highlights:

- **Further sampling of recent drilling at the Chough prospect extends an intersection of anomalous gold to 82 metres at 0.11g/t gold (CHRC003), demonstrating the scale of anomalism present.**
- **Review of drill core and field observations by the Company's consultants indicates potential link to sub-surface feeder zones.**
- **Fieldwork also completed at 6 Mile Creek and Killarney Prospects, including detailed structural study at 6 Mile Creek and mineralised rock-chips at Killarney.**
- **The Company has received an R&D Tax Incentive rebate of $0.84 million, strengthening its cash position to undertake further exploration.**
- **Discussions are also underway with a number of parties regarding funding opportunities for the proposed Agama (historic Prieska Copper Mine) acquisition in South Africa.**

Orion Gold NL (**ASX: ORN**) is pleased to provide an update on recent exploration activities at its 100%-owned **Connors Arc Epithermal Gold-Silver Project** in central Queensland as well as a brief corporate update.

Chough Prospect

New results received from recent drilling at the Chough prospect (refer ASX Release 21 January 2016) have enabled the Company to complete sampling of the extensive anomalous zone intersected in that program. A significant interval of anomalous gold results In CHRC003 has now been extended to **82 metres at 0.11g/t gold** (see Appendix 1; Figure 1).

The anomalous gold results are hosted in a package of inter-layered andesite and pervasively altered rhyolite, with several breccia units, strong clay alteration of feldspars and with significant sulphides present (refer ASX Releases 3 December 2015 and 21 January 2016).

Inspection of the drill core and field outcrops by the Company's consultants, including Professor Noel White and structural expert Dr Brett Davis, has led to the development of an initial geological model for the mineralisation.

ASX Code: **ORN**

Issued Capital:

Ordinary Shares: 421M

Options: 91M

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

Suite 2
64 Thomas Street
West Perth WA 6005
ABN 76 098 939 274

T: +61 8 9485 2685
E: info@oriongold.com.au

W: www.oriongold.com.au

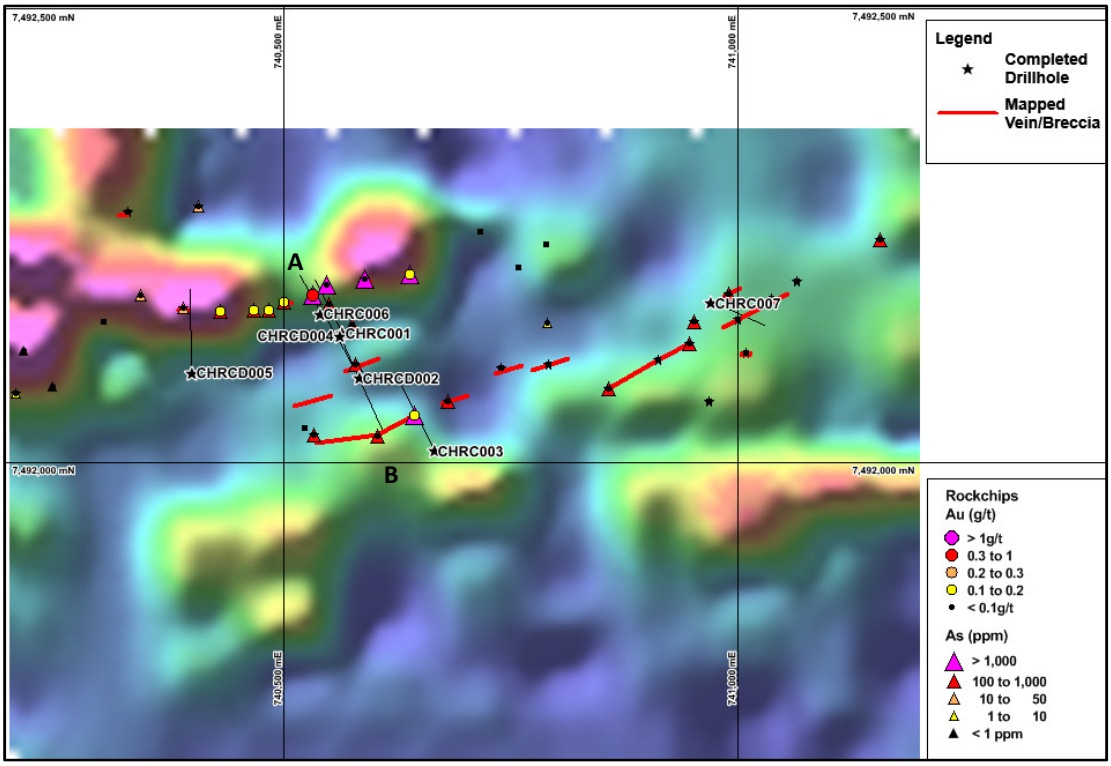


Figure 1: Plan (above) showing Orion's drilling and rock chip sampling at the Chough Prospect, along with mapped epithermal veins. Section A – B is shown in Figure 2 below.

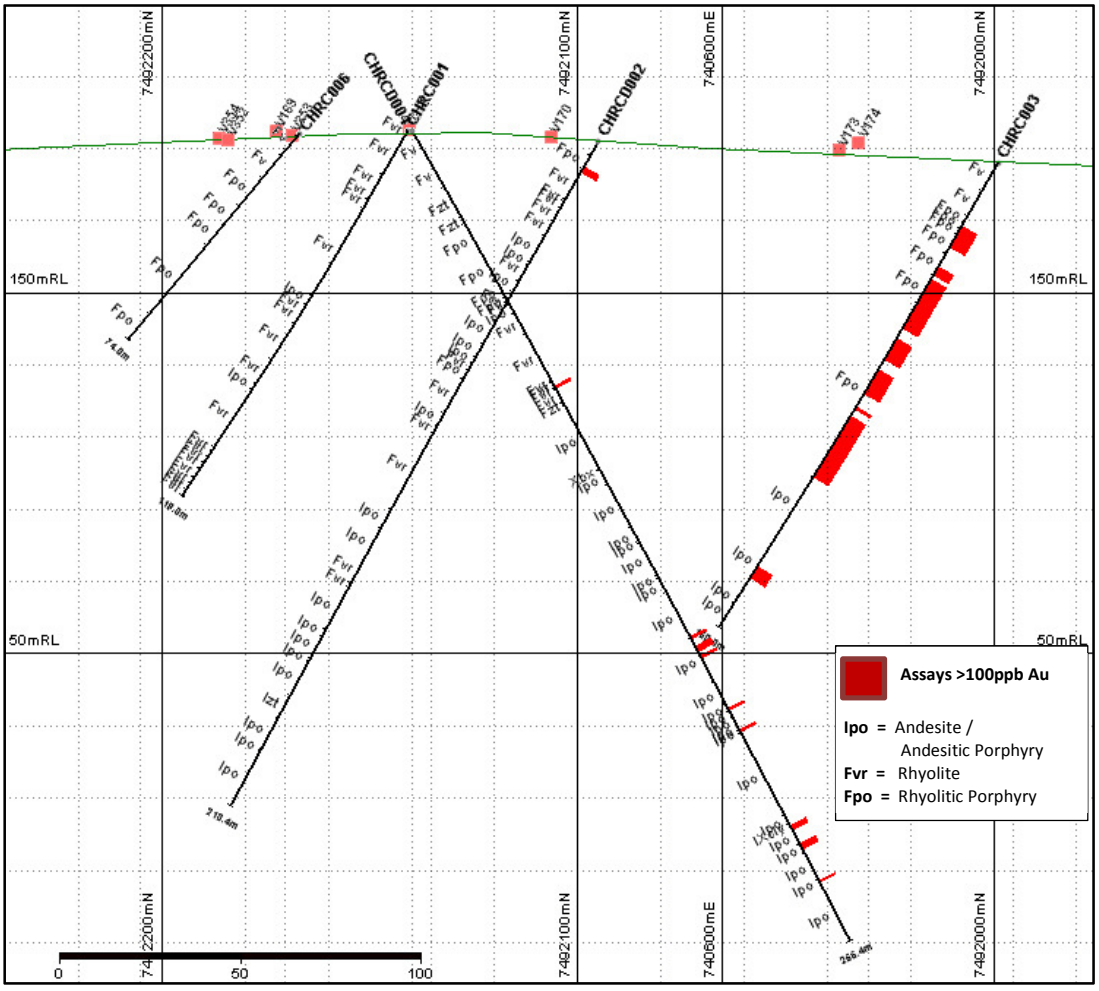


Figure 2: Section showing drilling at the Chough Prospect (refer Figure 1 for location) and anomalous results (>100ppb gold).

Further data is being collected based on their recommendations, with the objective of proposed follow-up drilling being to target mineralisation below the anomalous zones intersected in the initial drilling.

The epithermal veining and brecciation at Chough are disposed around the northern and southern margins of an inferred, shallowly-emplaced rhyolite dome (Figure 2). Inspection of the drill core has led both Professor White and Dr Davis to conclude that the epithermal veining post-dates the formation of sulphide minerals, with the epithermal fluids preferentially following pre-existing structures associated with the emplacement of the earlier sulphides.

Dr Davis was able to identify a number of planar feeder structures in the drill core and, in the absence of in situ outcrop, considers that measurement of these structures might give an indication of the orientation major feeder structures in the area. These structures are likely to have been the focus of later epithermal fluid flow and therefore a key feature to target in follow up drilling.

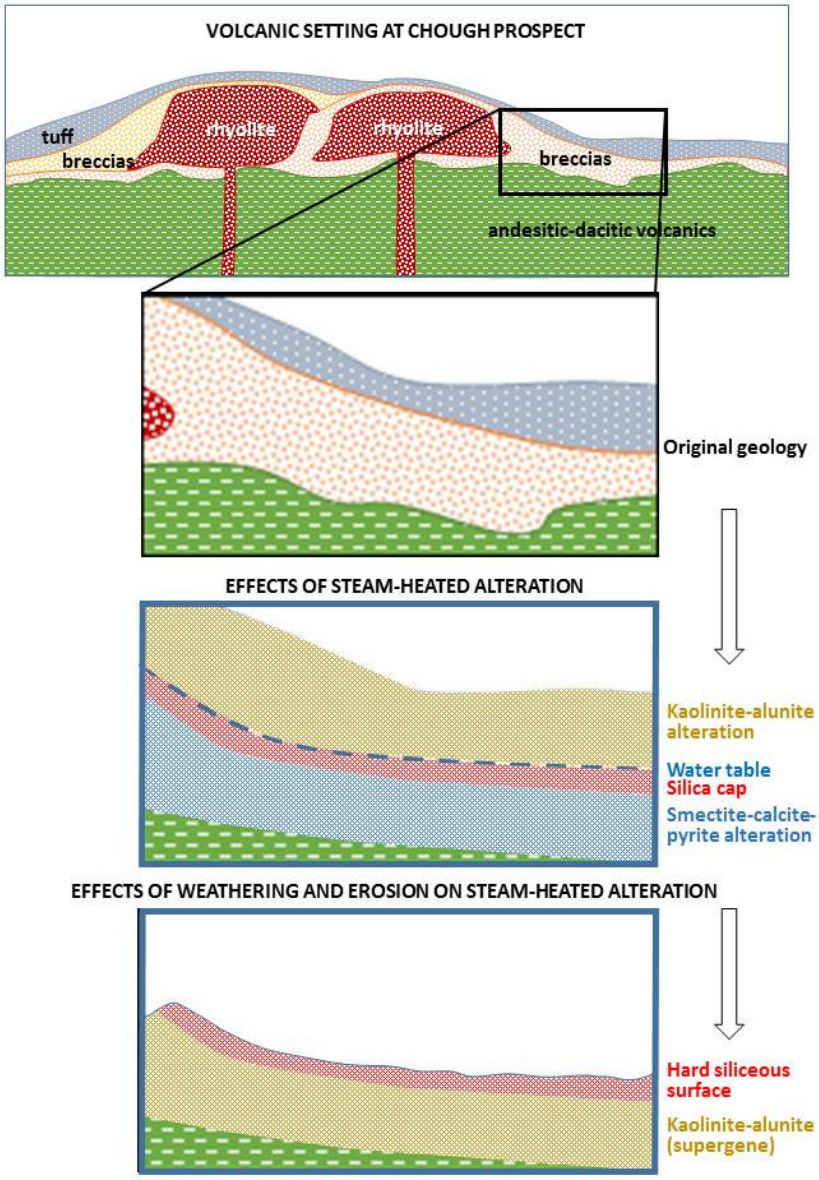


Figure 3: Schematic cross section showing geological model for the Chough Prospect (area drilled correlates to the black box) and the rhyolite feeder zones which are likely to be reactivated by epithermal fluids.

Professor White believes that the features observed at Chough relate to a series of geological events including a period of geothermal boiling. The geothermal period would have disrupted the epithermal veins and also altered the higher levels of the epithermal system, such that the geochemical and geophysical signatures expected in epithermal systems (such as magnetic destruction) are not suitable to be used as pathfinders at Chough (Figure 3).

As a result, the gold anomalism seen in CHRC003 is especially significant, and further drilling is planned to follow up this result.

6 Mile Creek Prospect

At the 6 Mile Creek Prospect, a detailed structural interpretation has been completed by Dr Davis, confirming a NNE-SSW strike to the primary structures and a dextral sense of shear resulting in displacement of the epithermal veins.

It is likely that mineralisation within the structural regime at 6 Mile Creek will form steeply-plunging shoots analogous to the geometry of ore shoots at Pajingo; follow-up drilling will therefore focus immediately below the historical shallow drilling beneath these outcrops, which returned results including:

- 7 metres at 1.0g/t gold and 10g/t silver (MRCPH-2);
- 2 metres at 1.3g/t gold and 30g/t silver (MRCPH-1);
- 1 metre at 2.9g/t gold and 34g/t silver (MRCPH-4); and
- 1 metre at 3.18g/t gold and 34g/t silver (MRCPH-5).

(Refer ASX Release 7 December 2015)

Killarney Prospect

Work at the Killarney Prospect has been slowed by substantial seasonal rains in the area. The ground is currently unsuitable for geochemical sampling and access for geophysical survey is not possible.

The Company was able to complete initial geological reconnaissance with traverses on foot across the main prospects and a handful of samples taken from outcropping epithermal veins and breccias. Encouragingly, two out of six samples collected returned results above 1g/t gold and 20g/t silver (Appendix 3).

Veinglorious Prospect

A field review of the Veinglorious Prospect confirmed that the veining in the north and north-eastern part of the prospect is devoid of prospective epithermal textures and has therefore been formed deep in the system.

As a result, the "critical depth" for precious metal deposition lies in the centre of the prospect. This enhances the prospectivity down-dip from the veining intersected in VGRCD005, which returned results of 3 metres at 0.14g/t gold and 153g/t silver (refer ASX Releases 24 February 2015 and 27 April 2015).

CORPORATE UPDATE

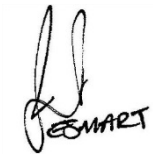
South Africa – PC Project

The Company received a very positive response at the Cape Town, 121 Mining Investment Conference held 8 - 9 February, where Orion's Managing Director, Mr Errol Smart presented the Prieska Copper Project.

Several enquiries have been received from prospective investors interested in advancing discussions with regard to financing and/or joint venture participation in the proposed acquisition.

Research & Development Tax Incentive

The Company has received a Research and Development (**R&D**) Tax Incentive rebate from the Australian Taxation Office of $0.84 million. During the year ended 30 June 2015 Orion incurred eligible R&D expenditure from which the rebate was calculated.



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

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 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, and its fieldwork has led to the discovery of substantial epithermal systems at the Veinglorious and Chough Prospects.

The Company also holds 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.

Recently, the Company secured an outstanding growth and diversification opportunity in the global base metals sector after entering into an option to acquire an advanced volcanic massive sulphide copper-zinc project located in South Africa with near-term production potential. The option gives Orion

the right to acquire an effective 73.33% interest in the a portfolio of projects including an exploration project at the Prieska Copper Project, located near Copperton in the Northern Cape province of South Africa, and the Marydale Prospecting Right, a virgin gold discovery of possible epithermal origin, located 60 kilometres from the Prieska Copper Project. The Company is progressing extensive due diligence investigations.

Additionally, the Company owns the Walhalla Project located in Victoria, which is prospective for gold, copper – nickel and PGEs.

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

Competent Person 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 4.

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.

Orion Gold NL

Appendix 1: Significant Intersections from Orion drilling at the Chough Prospect.

	Intercept Data			Assay Data												
Hole ID	**From (m)**	**To (m)**	**Length (m)**	**Au (ppm)**	**Ag (ppm)**	**As (ppm)**	**Cu (ppm)**	**Pb (ppm)**	**Zn (ppm)**	**Ba (ppm)**	**Mn (ppm)**	**Mo (ppm)**	**Rb (ppm)**	**Sb (ppm)**	**Te (ppm)**	**W (ppm)**
CHRC003	20	102	82	0.106	*Multi-Element Assays Pending*											
CHRCD002	3	13	10	0.055	0.45	99.4	4.1	23.2	65	880	302	21	274	3.6	0.06	8
CHRCD004	81	82	1[r]	0.125	0.51	131.0	13.3	61.5	921	470	353	69	200	2.6	0.32	1
	160	167	7[r]	0.106	0.5	290.7	38.6	15.3	57	257	1127	7.8	156	6.4	0.05	21
	182.5	183.4	0.9	0.117	1.14	549.0	44.0	24.3	47	260	657	3.9	242	6.2	0.13	7
	218.6	220.0	1.4	0.102	0.19	142.0	22.1	13.5	41	395	1149	0.9	146	3.2	-0.05	4
	225.0	228.0	3	0.193	0.87	457.0	28.0	15.4	53	332	636	2.6	206	7.2	0.00	11
	236.0	237.3	1.3	0.126	0.81	216.7	30.4	20.2	56	350	908	13.8	214	5.2	0.10	7

1. All intersections > 0.5m >0.1g/t gold or > 10g/t Ag are quoted (except CHRCD002 where 0.05g/t has been used).
2. Intersections from holes denoted "RCD" 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 4 is read in conjunction with these results.

Orion Gold NL

Appendix 2: Location data for Orion drilling at the Chough Prospect.

Hole ID	Prospect	Hole Type	Collar Location (MGA94 Zone 55)			Collar Direction		Total Depth (m)
			Easting	Northing	RL	Dip	Azimuth	
CHRC001	Chough	RC	740564	7492145	150	-60	320	119
CHRC003	Chough	RC	740666	7492015	150	-60	320	150
CHRC006	Chough	RC	740540	7492166	150	-60	320	74
CHRC007	Chough	RC	740970	7492178	150	-60	105	110
CHRCD002	Chough	DD	740583	7492095	150	-60	320	210.4
CHRCD004	Chough	DD	740561	7492142	150	-60	140	255.4
CHRCD005	Veinglorious	DD	740399	7492101	150	-55	350	119

Orion Gold NL

Appendix 3: Results from rockchip samples at the Killarney Prospect.

	Collar Location (MGA94 Zone 55)		Assay Data												
Sample ID	East	North	Au (ppm)	Ag (ppm)	As (ppm)	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ba (ppm)	Mn (ppm)	Mo (ppm)	Rb (ppm)	Sb (ppm)	Te (ppm)	W (ppm)
S017738	736030	7524644	1.95	108	300	7.5	6.4	5	240	124	39.3	127.5	107	-0.05	2.2
S017739	736278	7524414	2.96	24.3	285	6.2	18.1	7	180	146	8.85	127	54.2	0.06	1.8
S017740	736370	7524439	0.01	0.42	188	2.2	9.5	12	140	116	8.07	205	12.25	0.09	3.8
S017741	736353	7524594	0.27	2.8	183	5.9	6.3	4	210	135	12.45	151.5	35.7	0.05	3.2
V377	736087	7524640	0.668	1.98	208	6.6	9.1	3	220	121	6.93	104	63	0.09	2.3
V378	734751	7523850	-0.002	3.6	3.1	4.4	17.2	9	120	290	0.74	55	2.68	0.23	0.5

1. It is recommended that the supporting information contained in Appendix 4 is read in conjunction with these results.

Orion Gold NL

Appendix 4: 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	• *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.* • *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 (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.*	**Drilling:** • Diamond core drilling used to obtain NQ2 sized core. • RC precollars sampled with both 4m (spear sampling) and 1m samples (split samples). • Drill spacing variable due to early stage nature of drilling. • Sampling carried out under supervision using procedures outlined below including industry standard QA/QC. • 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. **Rockchip samples:** • Samples with "V" prefix are chip sampling taken from outcropping quartz veins. • Sampling carried out by consultant geologist. • Samples are chosen for collection and assay at the geologists discretion.
Drilling techniques	• *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).*	**Drilling:** • Both reverse circulation (RC) and diamond core drilling have been carried out. • RC drilling uses 5 ½" face sampling hammers. • Diamond drilling uses NQ2 sized core, oriented using ACT Mk 2 orientation kit. • RC precollars were drilled for all diamond holes before changing to core drilling, with depths ranging from approximately 15m (CHRCD002, CHRCD004 and VGRCD009), to 50m (CHRCD005, VGRCD010) for the Chough and Veinglorious drilling. • All drilling carried out by DDH1 Drilling Pty Ltd.
Drill sample recovery	• *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*	**Drilling:** • Core recoveries measured using standard techniques. • RC recoveries measured qualitatively. • Cyclone, splitters and sample buckets cleaned regularly. • No grade variation with recovery noted.

Criteria	JORC Code explanation	Commentary
	loss/gain of fine/coarse material.	
Logging	• *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.*	**Drilling:** • All holes logged on 1m intervals using visual inspection of washed drill chips and both full and split core. • 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 recorded at the drill site and entered into digital templates at the project office. • 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. • 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. **Rockchip sampling** • Geological observations are noted for each soil and chip sample.
Sub-sampling techniques and sample preparation	• *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.*	**Drilling:** • 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. • 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. The intention is that where the composite samples return anomalous values the 1m samples will be submitted. • 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 <5mm and then pulverising so that +85% of the sample passes 75 microns. • 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.

Criteria	JORC Code explanation	Commentary
		Rockchip sampling • No sub sampling on site. • Sample preparation was undertaken at ALS Laboratory Townsville and Intertek Genalysis Laboratory Townsville, ISO accredited laboratories. Both ALS and Intertek utilises industry best practise for sample preparation for analysis involving drying of samples, crushing to <5mm (for chip samples) and then pulverising so that +85% of the sample passes 75 microns. • 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.
Quality of assay data and laboratory tests	• *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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	**Drilling & Rockchip Sampling:** • The primary analytical technique uses a four-acid 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, Tl, U, V, W, Zn and Zr. Selected samples are also analysed for Hg using ICP-MS. • A 30g charge for fire assay is analysed using ICP-AES for Au which is standard industry procedure for first pass exploration. • 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.
Verification of sampling and assaying	• *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.*	**Drilling:** • 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. • Drillhole location data and geological observations were recorded in the field and manually entered into an Excel spreadsheet. • 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.

Criteria	JORC Code explanation	Commentary
		Rockchip samples: • Sample location data and geological observations were recorded in the field and manually entered into an Excel spreadsheet. • 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. • No adjustment to assay data has been carried out.
Location of data points	• *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.*	**Drilling:** • All drillholes pegged out using handheld GPS and distance/bearing from previous holes (historical and this campaign) or vein outcrops. • Drillholes will be picked up by dGPS survey to sub metre accuracy by Terrex Spatial. • Historical drillholes have had location confirmed/amended using dGPS survey by Terrex Spatial. • Co-ordinates are presented in MGA94 Zone 55. • Downhole surveys use single shot survey tool, with downhole gyro survey carried out on selected holes post drilling to validate direction data. • Topographic control is based on topographic data derived from public data. **Rockchip samples:** • Sample locations have been located using handheld GPS with an accuracy of +/- 5 metres which is acceptable for this stage of the project. • No drilling was carried out so no downhole surveys were carried out. • Co-ordinates are presented in MGA94 Zone 55. • Topographic control is based on topographic data derived from public data.
Data spacing and distribution	• *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.*	**Drilling:** • Drillhole spacing aimed to accurately map orientation of epithermal veins in subsurface. • 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. **Rockchip samples:** • Rock chip samples were taken randomly at the discretion of the geologist, with the coordinates recorded and reported in Appendix 3.

Criteria	JORC Code explanation	Commentary
		No compositing has been applied to the exploration results.
Orientation of data in relation to geological structure	• *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.*	**Drilling:** • Drilling carried out perpendicular to mapped veins, refer Figures 1 and 2. • Structural measurements confirm that the azimuth of drilling is perpendicular to the orientation of these veins. • No orientation based sampling bias has been identified in the data at this point. **Rockchip samples:** • Not applicable to this style of sampling due to its reconnaissance nature.
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by the Company. Samples were stored on site and then freighted directly to ALS Townsville.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• 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	• *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.*	• EPM/EPMAs 19825, 25122, 25283, 25703, 25708, 25712, 25714, 25763, 25764, 25813, 26003, 26081, 26082, and 26083 are 100% owned by Orion Gold NL. • The Connors Arc Project is overlain by claims by the Barada Kabalbara Yetimarala People and the Barada Barna People. Orion Gold NL has agreed ancillary agreements with these parties relating to exploration of the Connors Arc Project. • 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. • 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.
Exploration done by other	• *Acknowledgment and appraisal of exploration by other parties.*	• The southern portion of the Connors Arc Project (including the Aurora Flats and Veinglorious Prospects) and adjacent areas was most recently explored

Orion Gold NL

Criteria	JORC Code explanation	Commentary
parties		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. • The majority of the exploration in the northern part of the Connors Arc Project (including the 6 Mile Creek and Killarney Prospects) was carried out by BP Minerals Australia Pty Ltd, Australian Gold Resources Ltd and Invictus Gold Ltd. • Exploration activities across the Project area included surface geochemical sampling, open hole percussion drilling and RC percussion drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Connors Arc Project is located in the central portion of the Connors Arc, a "fossil" magmatic arc active during Permo-Carboniferous time. • The target is epithermal gold-silver mineralisation similar to the Cracow and Mt Carlton Deposits.
Drill hole Information	• *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:* 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.* • *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.*	• Appendix 1 lists all the significant intersections in the recent phase of drilling carried out by the Company. Significant intersections from previous drilling by the Company at the Connors Arc Project are listed in ASX Releases of 17 February 2015, 24 February 2015, 27 April 2015, 6 November 2015, 3 December 2015 and 21 January 2016. • Appendix 2 lists collar and dip/azimuth data in the recent phase of drilling carried out by the Company. Location data for previous drilling by the Company at the Connors Arc Project are listed in ASX Releases of 17 February 2015, 24 February 2015, 27 April 2015, 6 November 2015, 3 December 2015 and 21 January 2016, with locations shown on Figure 1.
Data aggregation methods	• *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.* • *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.*	• 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. • Intercepts presented are all assays > 0.1g/t Au, and 1g/t Au where present, or all assays > 10g/t Ag as this is believed to be significant in the context of the geological setting.
Relationship between mineralisation	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle*	• 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.

Orion Gold NL

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	*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 (eg 'down hole length, true width not known').*	
Diagrams	• *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.*	• Drillhole location plans shown as Figure 1. • Figure 2 show intersections on cross section. • Further geological diagrams will be shown once data has been collated and interpreted.
Balanced reporting	• *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.*	• All significant results are reported in Appendix 1.
Other substantive exploration data	• *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.*	• The Company's previous ASX releases have detailed exploration works on the Connors Arc Project and results/conclusions drawn from these.
Further work	• *The nature and scale of planned further work (eg 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.*	• More detail on further work will be available following collation and interpretation of trace element and SWIR data from the current program as well as completion of planned field activities at the 6 Mile Creek and Killarey Prospects.