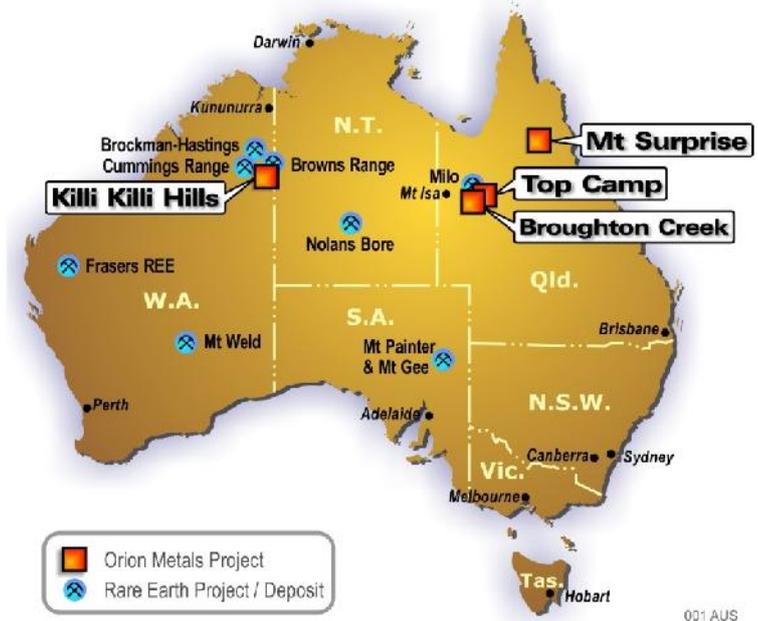


ASX ANNOUNCEMENT

14 July 2014

EXPLORATION UPDATE Mt Surprise Project – New Tenure Granted

Orion Metals Limited (ASX:ORM), strategic metals, rare earth element (REE) and gold explorer, is pleased to provide this exploration update.



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HIGHLIGHTS

- *New tenement EPM 18331 has been granted.*
- *100% Orion Metals Limited owned.*
- *Substantial increase in exploration ground for Project and Orion Metals Limited.*
- *New ground highly prospective for Tin, Tungsten, REE.*

Orion Metals Limited is pleased to announce the granting of exploration permit EPM 18331 (Figure 2) by the Queensland Department of Natural Resources and Mines.

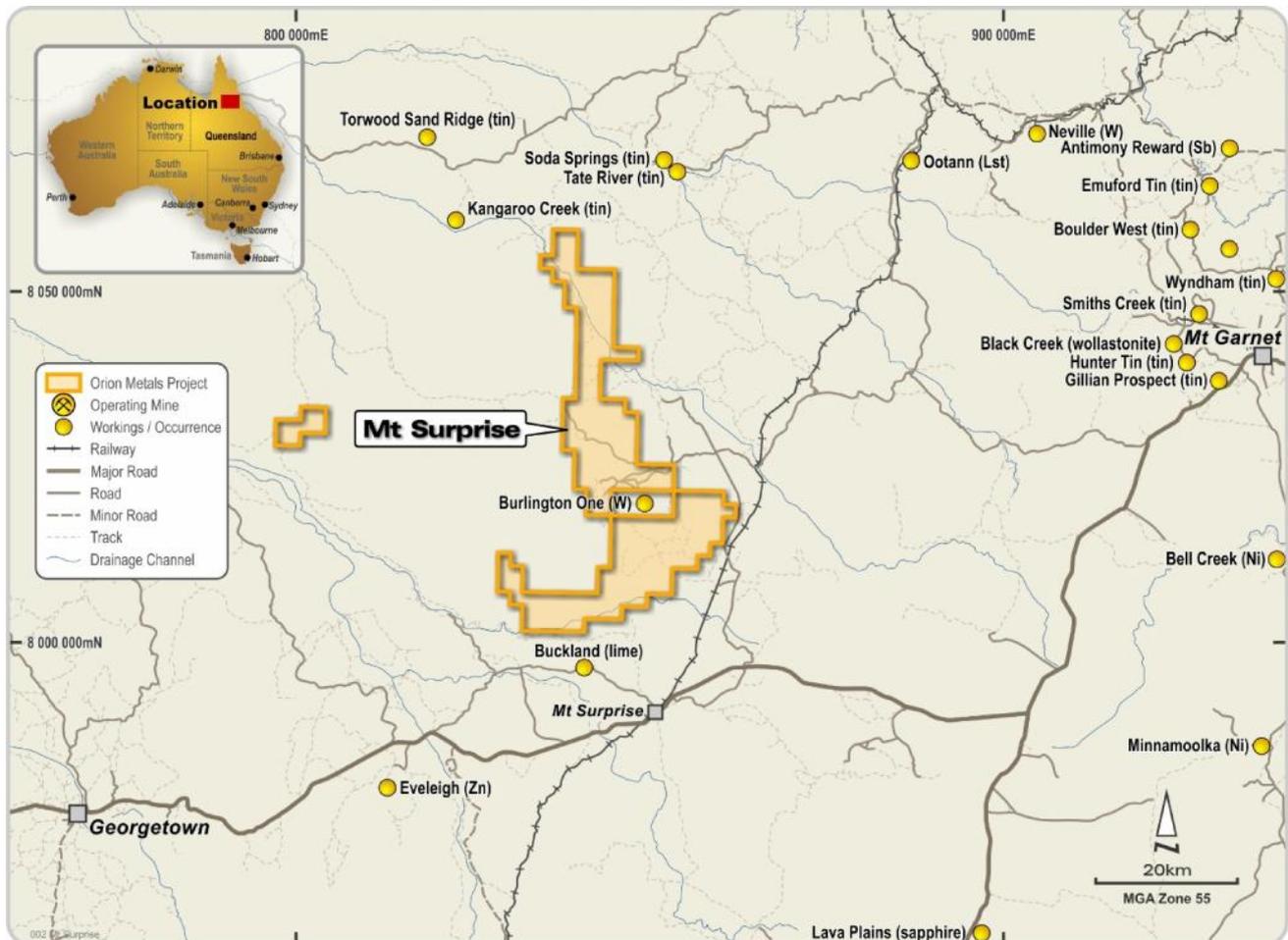
With the inclusion of EPM 18331, which comprises of 42 sub-blocks (approximately 126 sq km), the Mt Surprise Project tenement holding has increased to over 530 sq km (Figure 1).

The area has numerous historic diggings for alluvial tin and tungsten, the geological environment is fertile for griesen and vein/stockwork tin tungsten deposit styles, and the visual alteration of the granites in the region suggests a fertile environment for exploration for granitic or felsic hosted tin/tungsten deposits.

Additionally, the area is considered highly prospective for rare earth elements.

Detailed technical assessment and target generation has started. Field inspection of the leases along with structured geochem sampling is expected to commence late 2014.

Figure 1: Mt Surprise Project location plan.



About Orion Metals

Orion Metals Limited (ASX:ORM) is a Rare Earth Element(REE) and Gold explorer with exploration projects in the highly prospective metal provinces of the Tanami Desert of Western Australia, the former uranium mining district of Mary Kathleen in Northwest Queensland, and Mt Surprise, in NE Queensland.

For Further Information

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Competent Person Declaration.

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Peter Brookes, a full-time employee of Orion Metals Limited, who is a member of the Australian Institute of Geoscientists. Mr Brookes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Brookes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Figure 2: Mt Surprise Project tenement location plan.

