



**Orion Metals Limited (ASX:ORM)**  
71 Lytton Road East Brisbane Qld 4169  
GPO Box 122 Brisbane Qld 4001  
Phone: 61 7 3249 3060  
Fax: 61 7 3249 3061  
[www.orionmetals.com.au](http://www.orionmetals.com.au)  
ABN 89 096 142 737

## ASX RELEASE

22<sup>nd</sup> March 2011

### KILLI KILLI – NEW TENEMENTS ACQUIRED

- **ORION AGREES TO ACQUIRE ADDITIONAL TENEMENT E80/4212 TO ENHANCE ITS RARE EARTHS AND GOLD HOLDINGS**
- **ORION APPLIES FOR NEW TENEMENT EL80/4596**
- **ORION NOW BOASTS 616 SQMs IN THE TANAMI**

Orion Metals (ASX:ORM) is pleased to announce it has signed an agreement to acquire 50% of exploration licence E80/4212 (covering an area of 171 km), located just south of ORM's Killi Killi Hills prospects in Western Australia.

This exciting acquisition is a joint venture agreement with ASX-listed Metal Bank Limited (ASX:MBK) and is subject to regulatory compliance to enable transfer of the tenement title in accordance with relevant mining regulation. . Under the agreement, ORM will manage the exploration activities on behalf of both parties and will be able to earn an additional 30% in the project. The acquisition agreement contemplates completion on 30 August and entitles ORM to undertake exploration within the tenement area in the interim.

ORM's regional studies show the tenement hosts a concealed granite intrusion surrounded by an extensive alteration halo (see figure 1) that could be the hydrothermal engine driving REE/U/gold mineralisation in the Killi Killi district.

The Killi Killi prospects and granite lie in the major north-west trending structural zone, termed the Trans-Tanami Structural Corridor, and appear to be at the intersection of a north-north-east fracture system. The Coyote gold mine lies immediately south of this newly acquired tenement.

ORM will pay \$100,000 and issue one million ORM shares to MBK to acquire the 50% equity in the tenement. The agreement allows ORM to elect to earn up to 80% in the project area by completing \$450,000 of expenditure to earn 10% increments of equity for each \$150,000 spent. The latter figure will be as \$100,000 direct exploration cost and \$50,000 paid to MBK after expending the exploration amount.

The joint venture requires MBK to contribute a 20% proportion of any mine development or elect to retire to a 5% share of operational profit, with ORM then holding 100% of the project.

Orion has also successfully applied for tenements EL80/4596, located approximately 75kms to the west of Killi Killi, with a land area of 365 km<sup>2</sup>.

The company has now secured 616 km<sup>2</sup> of tenements in the Tanami – E80/4029, E80/4197, E80/4212 (currently subject to due diligence), E80/4559, E80/4558, and E80/4596 – with all exploration licences shown on figure 2.



**Orion Metals Limited (ASX:ORM)**

71 Lytton Road East Brisbane Qld 4169  
GPO Box 122 Brisbane Qld 4001  
Phone: 61 7 3249 3060  
Fax: 61 7 3249 3061  
[www.orionmetals.com.au](http://www.orionmetals.com.au)  
ABN 89 096 142 737

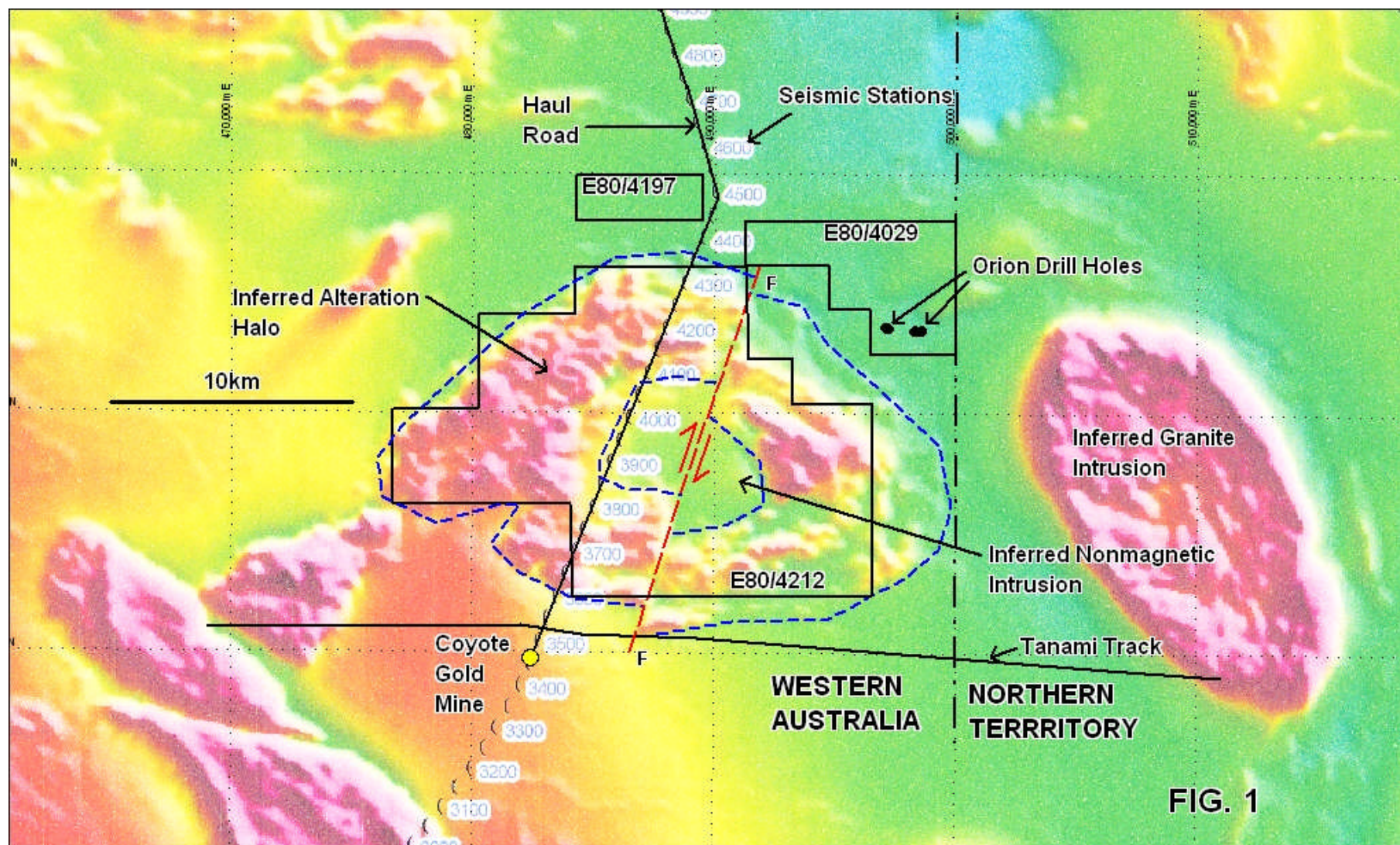
This is a substantial holding in a desirable and highly prospective location for significant REE/gold occurrences - with previous shallow RAB drilling discovering a surface geochem Au/Sr/Ba anomaly in the north east corner of the Licence close to ORM's Killi Killi REE/Au prospects (which have also displayed a strong association with strontium and barium).

These important acquisitions contribute significantly to ORM's exploration strategy and project building initiatives in the Killi Killi region.

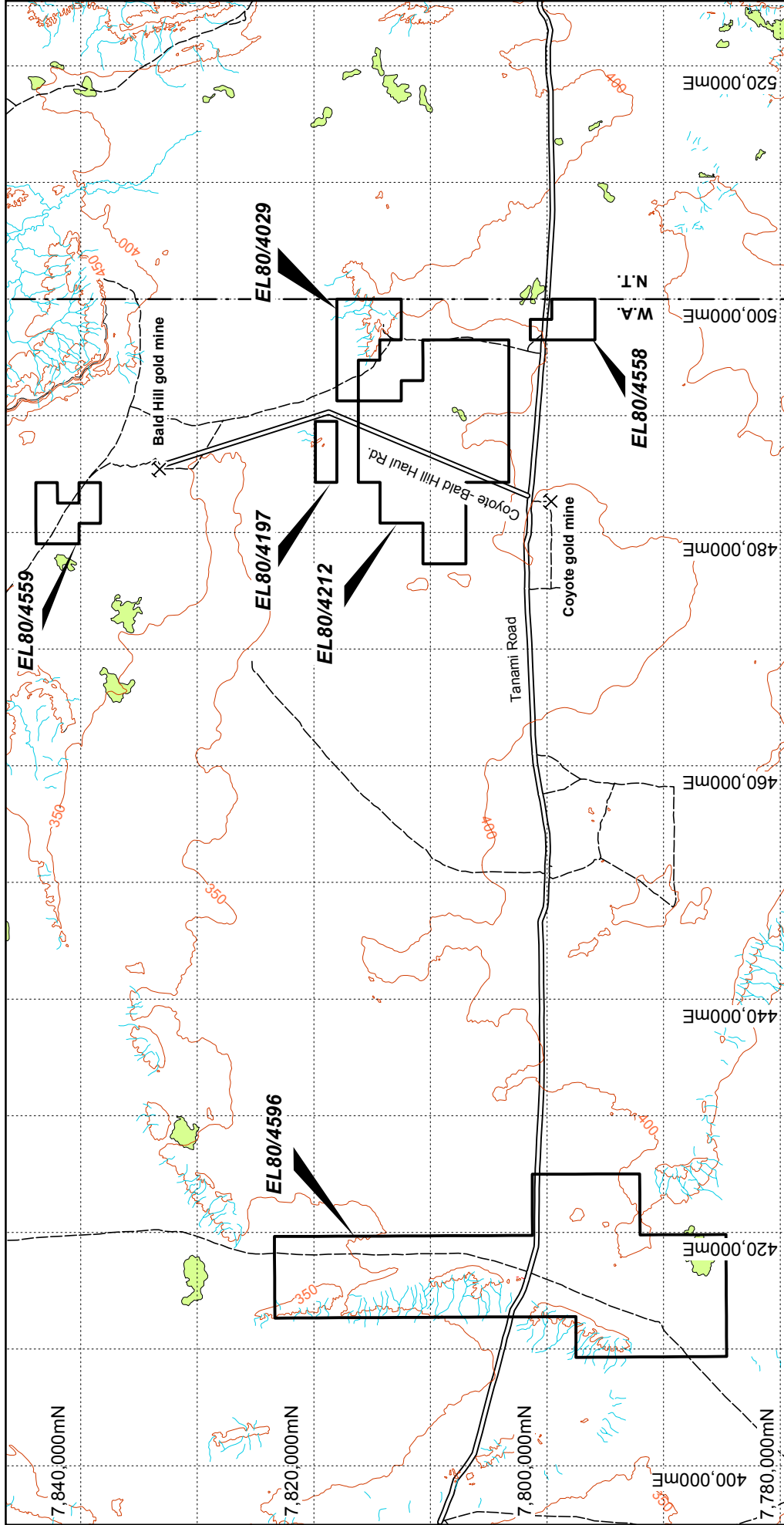
**James Canning-Ure**

Managing Director  
Orion Metals Limited  
Phone: +61 7 3249 3060

Further information on Orion Metals Ltd. visit [www.orionmetals.com.au](http://www.orionmetals.com.au)







**LEGEND**

- Major road
- Track
- Contour
- Forest of shrub



ORION METALS LIMITED			
KILLI KILLI PROJECT			
TENEMENT LOCATIONS			
COMPILED BY	A. DAY	FEB 11	SCALE 1:500,000
DRAFTED BY	K.J.CORRIE	FEB 11	Proj. MGA94 Zone 52
REVISED			DWG No.:
			<b>FIGURE 2</b>