



Orion Gold_{NL}

Loan Facilities Variation

ASX Code: ORN

Issued Capital:

Ordinary Shares: 244M

Options: 88M

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

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ORION GOLD NL (ASX: ORN) announced on 29 September 2014 that it had received underwriting commitments of \$1.0 million for a pro-rata renounceable entitlements issue ('Entitlements Issue') to shareholders. The maximum amount to be raised under the Entitlements Issue is approximately \$2.43 million at 3.0 cents per fully paid ordinary share ('Share'). Eligible shareholders will be entitled to participate in the Entitlements Issue on the basis of one Share for every three Shares held. Shareholders will also be given priority to apply for shortfall shares in addition to their entitlement. The record date for the Entitlements Issue has not yet been determined but is expected to be mid October 2014.

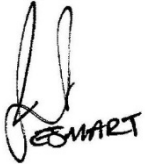
The Entitlements Issue is underwritten to an aggregate amount of \$1.0 million. Underwriters include entities associated with Orion directors, Mr Denis Waddell (\$0.50 million inclusive of the amount drawn down under the Tarney Facility referred to below) and Mr Errol Smart (\$0.10 million), as well as other professional investors.

On 26 August 2014, Orion announced that it had finalised two loan agreements together totalling \$0.35 million. A \$0.20 million loan facility was agreed with Tarney Holdings Pty Ltd ('Tarney'), a company associated with Orion's Chairman Mr Denis Waddell ('Tarney Facility') and a \$0.15 million loan facility was agreed with Silja Investment Limited, the Company's major shareholder (together the 'Facilities'). Prior to the completion of the Entitlements Issue, both of these lenders have committed to increasing the facility limits available to Orion under the terms of the Facilities.

The Facilities will be increased to a maximum limit of \$0.85 million. Neither Silja (\$0.35 million) nor Tarney (\$0.50 million) will demand payment of the Facilities until the completion of at least a \$2.0 million capital raising. The purpose of the Facilities is to enable the Company to continue with exploration activities at its two highly prospective projects – Fraser Range (Western Australia) and Connors Arc (Queensland) whilst the Entitlements Issue is being completed.

The \$0.50 million Tarney Facility has formed the basis of Tarney agreeing to underwrite \$0.50 million of the Entitlement Issue and as such, Orion and Tarney have also agreed to amend the terms of conversion of the outstanding capitalised loan balance under the Tarney Facility. Under the terms of the amended Tarney Facility, any Entitlements Issue shortfall amount required to be taken up by Tarney will be offset against the capitalised loan balance based on the issue of shortfall Shares at 3.0 cents per Share. To the extent that the shortfall amount required to be taken up by Tarney is less than the capitalised loan balance, Orion may elect to convert the outstanding capitalised loan balance to Shares, subject to shareholder approval. Any Shares issued to Tarney upon conversion, will now be issued at 3.0 cents, being the price of Shares to be issued under the Entitlements Issue.

To date, the Company has drawn \$0.34 million on the Facilities.



Errol Smart
Managing Director and CEO

Company Enquiries:

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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 identified a significant intermediate sulphidation epithermal gold and silver system at Aurora Flats on the Connors Arc in Queensland. 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 Walhalla Project is located in Victoria, where the Company is focussing 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.

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.