

13 March 2014

Orion Gold_{NL}

Orion Gold Project Locations

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

Ordinary Shares: 201M

Options: 166M

Market Cap: ~\$12M (at 6c)**Directors:****Denis Waddell**
Chairman**Errol Smart**
Managing Director, CEO**Alexander Haller**
Non-Executive Director**Martin Bouwmeester**
Finance Director,
Company Secretary**Management:****Bill Oliver**
Chief Operating Officer

Loan Facility

Key Points

Orion Gold NL (ASX: ORN) is pleased to announce that it has finalised a \$0.5 million loan agreement with Silja Investment Limited, the Company's major shareholder ('Facility').

Under the terms of the Facility:

- Silja has the option to convert cash drawn down under the Facility to shares, as part of a possible future capital raising subject to shareholder approval where required by law, including the ASX listing rules. Any shares issued to Silja upon conversion, will be issued on the same terms as shares issued to other subscribers as part of a capital raising;
- no interest is payable by Orion to Silja; and
- the Facility expires on 30 June 2014.

Silja has discretion as to whether to make an advance to the Company upon receipt of each drawdown notice and the Company will be required to repay the Facility in cash on the expiry date to the extent that the loan balance has not been converted into shares or repaid in cash by then.

Under the terms of the Facility, a capital raising fee would be payable by the Company to Silja where it subscribes for its share allocation in a capital raising. The fee is calculated by multiplying the amount subscribed for by Silja under the terms of the Facility by the percentage commission payable to a broker or underwriter as part of the capital raising. No facility fee is payable by the Company to Silja. Silja has a fixed and floating charge over the assets of the Company.

In order to draw on the Facility, the Company must meet certain conditions precedent including the continued employment of key personnel. To date, the Company has not drawn on the Facility.

The Company is currently pursuing funding alternatives with potential investors aimed at continuing the drilling of priority targets at the Company's projects, increasing the Company's working capital and to repay the Facility.

Errol Smart
Managing Director and CEO

About Orion

Orion Gold is focused on acquiring, exploring and developing large tenement holdings or regional scale mineral opportunities in world-class mineral provinces. During a period of recapitalisation, the Company 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. 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 systematic and intensive exploration programs have successfully defined 23 targets to date by a combination of geological, geochemical and geophysical methods.

The Company's other assets are the Walhalla Gold Project in Victoria, where it is focussing on Nickel-Copper-PGE mineralisation, and the Connors Arc Epithermal Gold Project in Queensland, between the Cracow and Mt Carlton operations. The Company has an experienced management team with a proven track record in exploration, development and adding shareholder value.

Company Enquiries:

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