



**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  
ABN 89 096 142 737  
[www.orionmetals.com.au](http://www.orionmetals.com.au)

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## **ASX Release**

### **NEW INFORMATION ON KILLI KILLI RARE EARTH ELEMENT (REE) PROJECT**

Orion Metals Limited (ASX: ORM) advise that the technical assessment report by Prof. Ken Collerson on the Killi Killi REE mineralisation has been received and examined. The report included analytical results from the OZCHEM national database Canberra that records all geological analyses taken by industry and government institutions nationwide.

In exploration licence E80/4029 a suite of samples taken in 1994 recorded high levels of REE from the two Killi Killi East Prospects which can be interpreted as confirming ORM's own work and acting as a duplication check laboratory. These analyses reported significant levels of REE with total rare earth elements (TREE) in excess of 1%. Highly anomalous strontium in excess of 7000ppm was recorded in line with similar geochemical associations noted by ORM's work.

More importantly detailed interpretation of the analytical results by Prof. Collerson has reinforced the concept that the REE is hydrothermal in origin. This accords with ORM's view and will assist ORM in its field operations in the region.

In light of these findings ORM is intending to field check a number of aspects of the report in the coming weeks as it prepares the exploration programme for the 2012 season.

Prof Collerson also brought to the Company's attention that the national database contained analyses of granites occurring immediately east of the ORM tenements, in the Northern Territory, which were sampled by government field parties and were found to contain highly anomalous REE values. These might be considered to be a source of the Killi Killi REE mineralisation. It is intended to locate and check sample these localities in the next few weeks.

*"The information in this report that relates to exploration results is based on information compiled by Mr Adrian Day, who is a Member of the Australian Institute of Geoscientists and who has sufficient experience 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the "JORC Code"). Mr Day is a non-executive Director of Orion Metals Limited and is employed by Australian Asiatic Gems Pty Ltd, a consultant to the Company. Mr Day consents to the inclusion in this report of the matters based on his information in the form and context in which it appears."*

**For further information contact:**

David K Barwick (Chairman) or  
Garry Gill (Chief Operating Officer)

*Orion Metals Limited*

Telephone: + 61 7 3249 3060