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ASX RELEASE

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BROUGHTON CREEK JOINT VENTURE EXPLORATION UPDATE

Orion Metals Limited (ASX:ORM) is pleased to advise that the company has recently completed a ground based radiometric and geological survey within EPM 16209. EPM 16209 is one of four tenements that constitute the Broughton Creek Joint Venture with Broughton Minerals Pty Ltd.

Earlier work within EPM 16209 had identified significant airborne radiometric anomalies, which had been followed up by regional rock chip sampling. This rock chip sampling programme recorded some very significant uranium and rare earth element anomalism (previously reported 20th April 2011). The uranium and rare earth element mineralisation has been identified as occurring within discrete veins within very poorly exposed metamorphosed quartz feldspar porphyries and amphibolites of the Kalkadoon/Leichhardt Belt, which forms part of the Proterozoic Mt Isa Inlier.

The ground based radiometric survey was carried out to better define the previously identified airborne radiometric anomalies in the area, as poor exposure of the underlying geology made it difficult to refine potential drill targets. The survey was carried out under contract by Geosensor, a Brisbane based geophysical contracting company. The equipment used to complete the survey was a Pico Envirotec – PGIS-2-21, continuous operating GPS mapping spectrometer. Approximately 110km line kilometres were surveyed on a 10m, 20m or 40m line spacing, depending on the level of detail required in each area to achieve a suitably delineated target.

Eleven well defined priority drilling targets have been generated following the completion of this survey. A reverse circulation drilling programme to test these zones is planned to commence in the 3rd quarter of 2013.

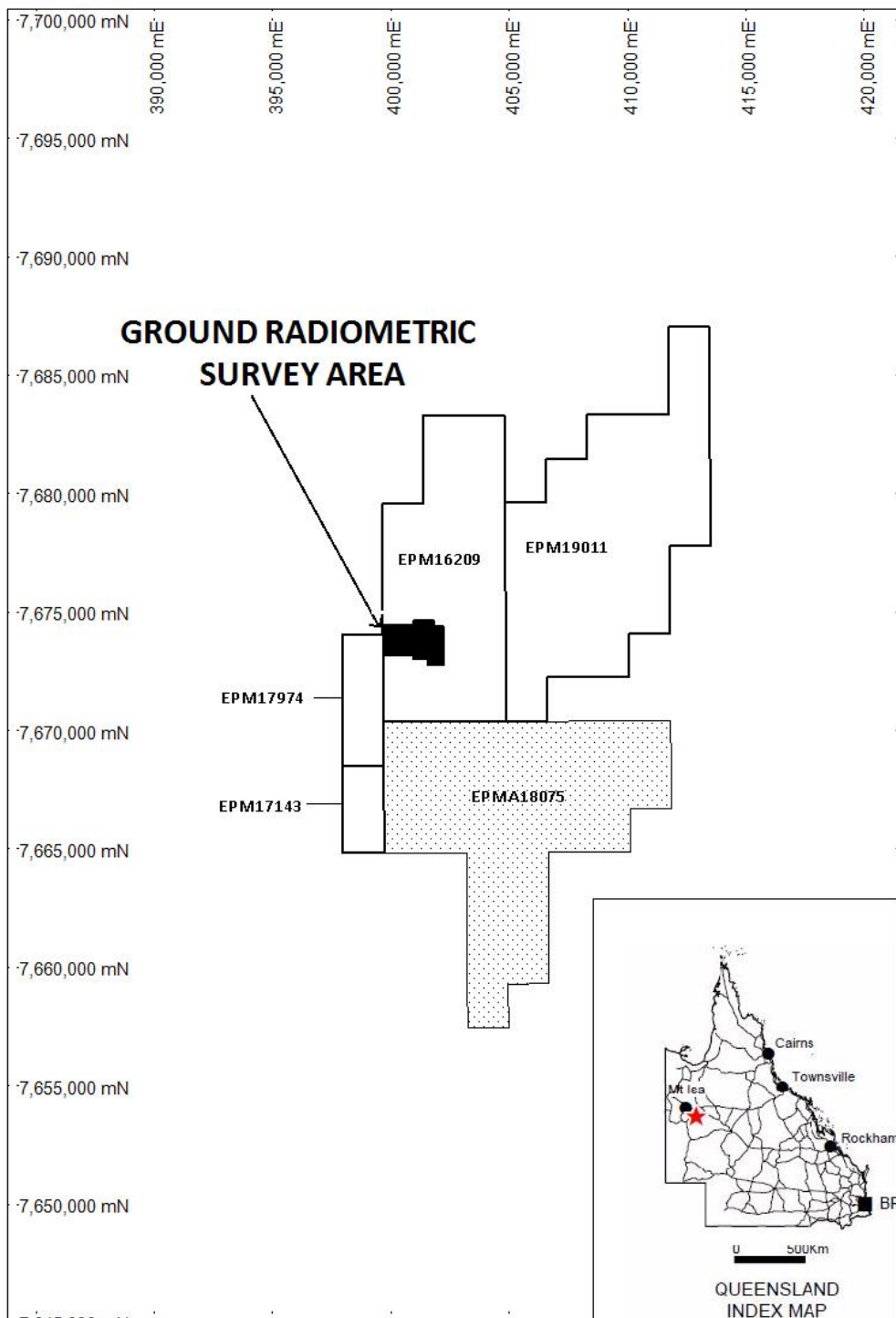


Figure 1 Broughton Creek JV Project Area

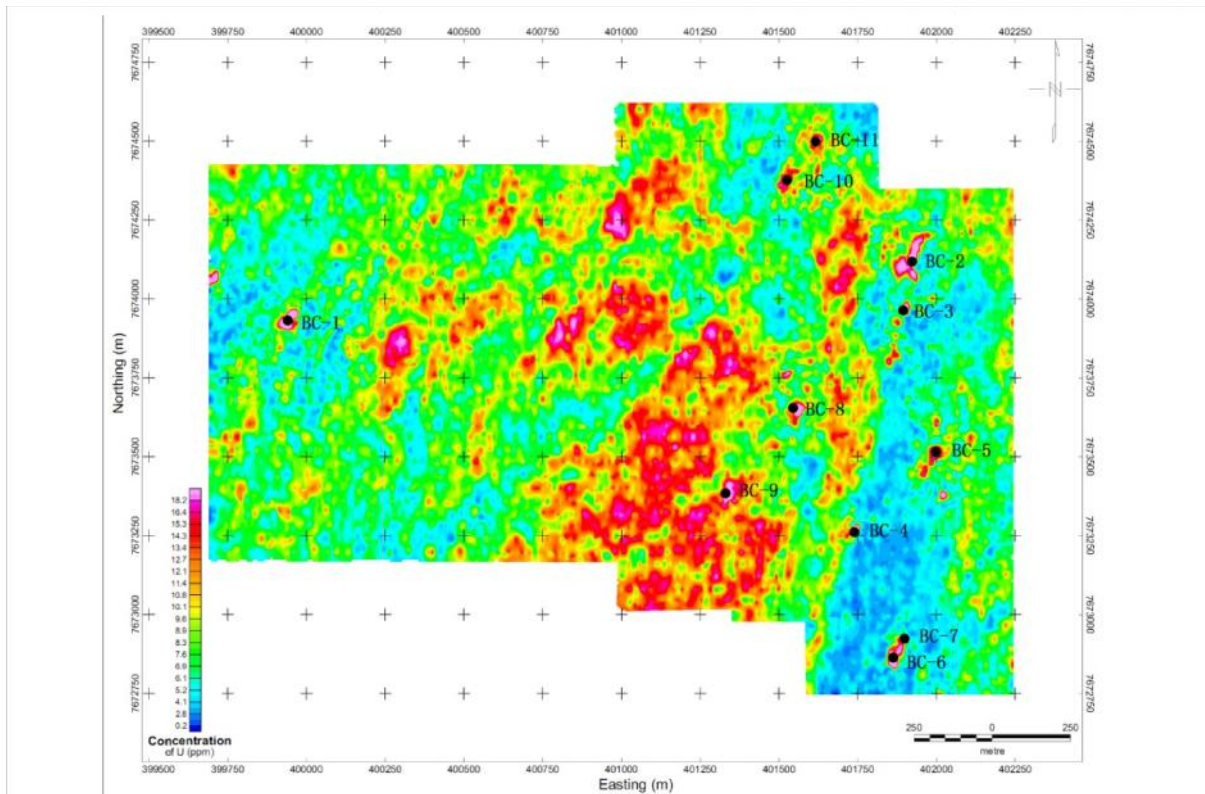


Figure 2. Ground Based Radiometric Survey – Uranium – showing zones which have co-incident significant radiometric and rock chip anomalies.

SIGNIFICANT ROCK CHIP RESULTS		
ANOMALY	U%	TREE%
BC-1	33.30	2.58
BC-2	4.70	6.11
BC-3	14.60	1.25
BC-4	4.70	8.63
BC-5	4.70	8.63
BC-6	1.80	2.39
BC-7	4.90	6.65
BC-8	5.50	7.30
BC-9	26.50	2.96
BC-10	4.00	9.26
BC-11	0.60	1.12

Table 1. Significant Rock Chip Results from Anomalous Zones



Figure 3. The Pico Envirotec – PGIS-2-21 spectrometer in operation



Peng Huang
General Manager

About Orion Metals

Orion Metals Limited (ASX:ORM) is a Rare Earth Element and Gold explorer with exploration projects within highly prospective regions in the Tanami Desert in Western Australia and near the former uranium mining district of Mary Kathleen in Northwest Queensland.

Orion Metals also holds a strategic 43.9% interest in Ultimate Resources Pty Ltd which is acquiring two significant rare earth element projects in central South Korea.

Competent Persons Statement

In accordance with Listing Rules 5.1 and 5.12 of the Australian Securities Exchange, the technical information that is contained in this report has been compiled by Mr. Chris Creagh BSc Hons (Geology), MAusIMM, who is a competent person and member of the Australasian Institute of Mining and Metallurgy. Mr Creagh has relevant experience to the mineralisation being reported on to qualify as a Competent Person as defined by the Australasian Code for Reporting of Minerals Resources and Reserves. Mr Creagh is a Chief Operating Officer of Orion Metals Limited. He consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.