



Orion Gold_{NL}

Orion Gold NL is an Australian gold exploration company focused on delivering value to shareholders through the successful exploration of the Company's highly prospective tenement holdings located in the Walhalla goldfield of Victoria.

The prospectivity of the Walhalla goldfield is supported by fact:-

- The Walhalla region is Victoria's sixth largest historical gold producing region with over 400 known reef and alluvial gold deposits;
- The historic Cohen's Reef was mined to a depth of over one kilometre and produced 1.5 million ounces of gold at a grade of 30 g/t Au;
- The many known gold bearing reefs located within the Walhalla goldfield highlight the enormous potential of the Company's large tenement holdings; and
- Orion Gold's Walhalla Project is located in one of the world's major orogenic gold provinces.

Orion Gold NL
ABN 76 098 939 274
ASX Code: ORN
W: www.oriongold.com.au

Orion Gold NL

25 August 2011

Drill Program Commences at New Dawn

Orion Gold NL (ASX: ORN) is pleased to announce that a diamond drill rig has been mobilised to site and is due to commence a drill program to test highly ranked targets at New Dawn – Toombon, Longfellow's and Happy Go Lucky.

The initial holes of the drill program will test targets at New Dawn – Toombon (Orion 85%) which is located on the recently reinterpreted Cohen's trend.

The Cohen's trend hosts the major historical mines in the Walhalla-Woods Point goldfield, with the recorded gold production from mines located along the Cohen's trend totalling approximately 4 million ounces (see figure 1).

The reinterpretation of the Cohen's trend is an outcome of the Company's new structural model. Based on this model, Orion regards the New Dawn – Toombon area as particularly prospective, as the historic workings are interpreted to be situated in the same stratigraphy and structural setting as the main Cohen's Reef at Walhalla which produced 1.5 million ounces of gold. Deposits in the New Dawn – Toombon area are also interpreted to be similar in style to the mineralisation at Cohen's Reef. The area has been subject to very little modern exploration and almost no drilling.

Orion has developed a 3D model of the New Dawn workings based upon the available historic data. Based on this model, the drill holes planned for New Dawn are designed to test across the prospective stratigraphy and test for a series of parallel reefs. The drilling is also designed to test for potentially southerly plunging intersection lodes ('shoots').

The current drill program totals 2,400 metres of diamond drilling with the first three holes (each of approximately 400 metres in length) to be drilled at New Dawn. Following the drill program at New Dawn, the Company will drill highly ranked targets at Longfellow's and Happy Go Lucky (see figure 2).

Denis Waddell
Executive Chairman

Contact:
Suite 302
Level 3, 488 Bourke Street
Melbourne VIC 3000
T: +61 3 8080 7170
F: +61 3 8080 7174
E: info@oriongold.com.au

Company enquiries:
Denis Waddell Executive Chairman
Martin Bouwmeester General Manager-Corporate

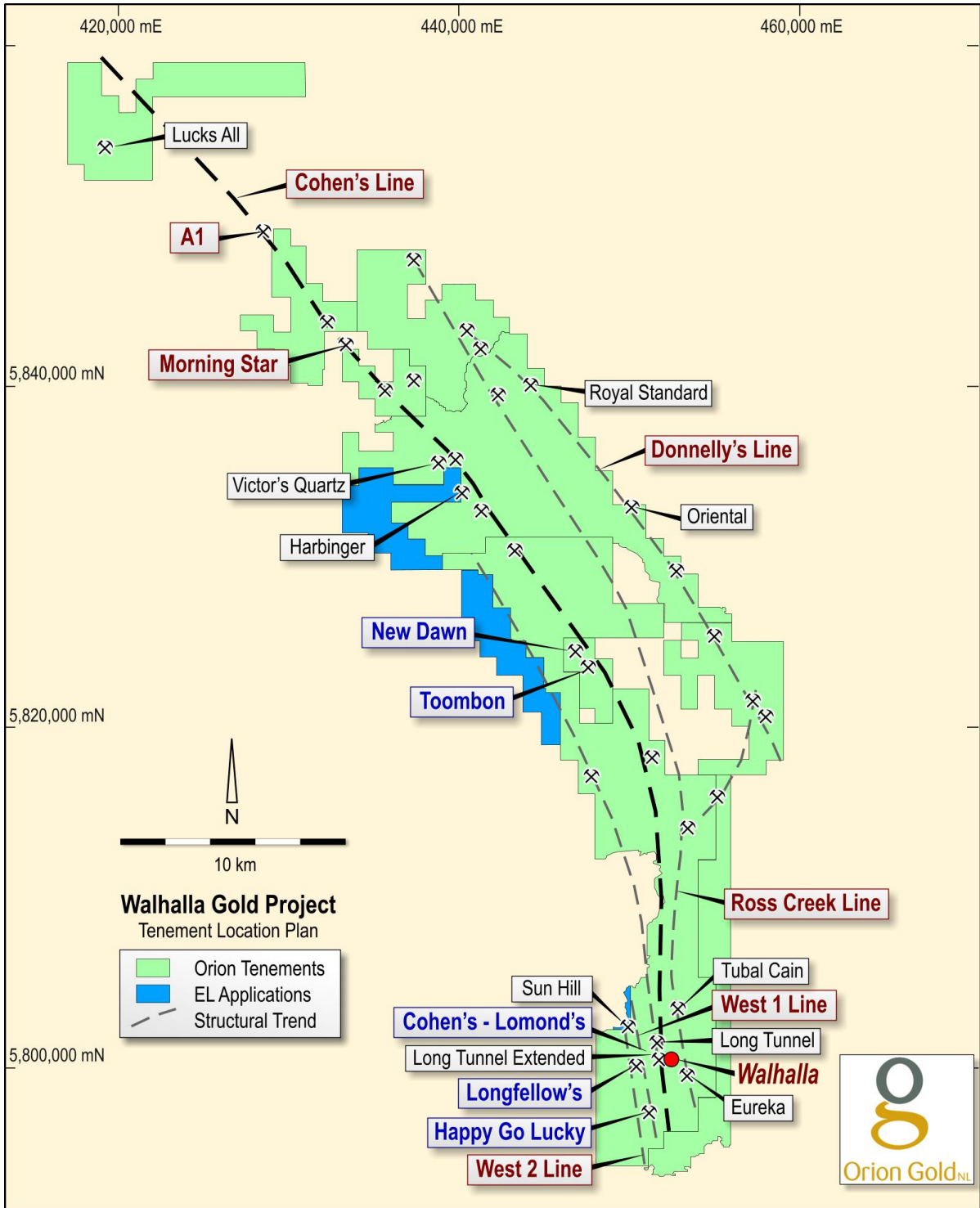


Figure 1: Orion Gold tenements.

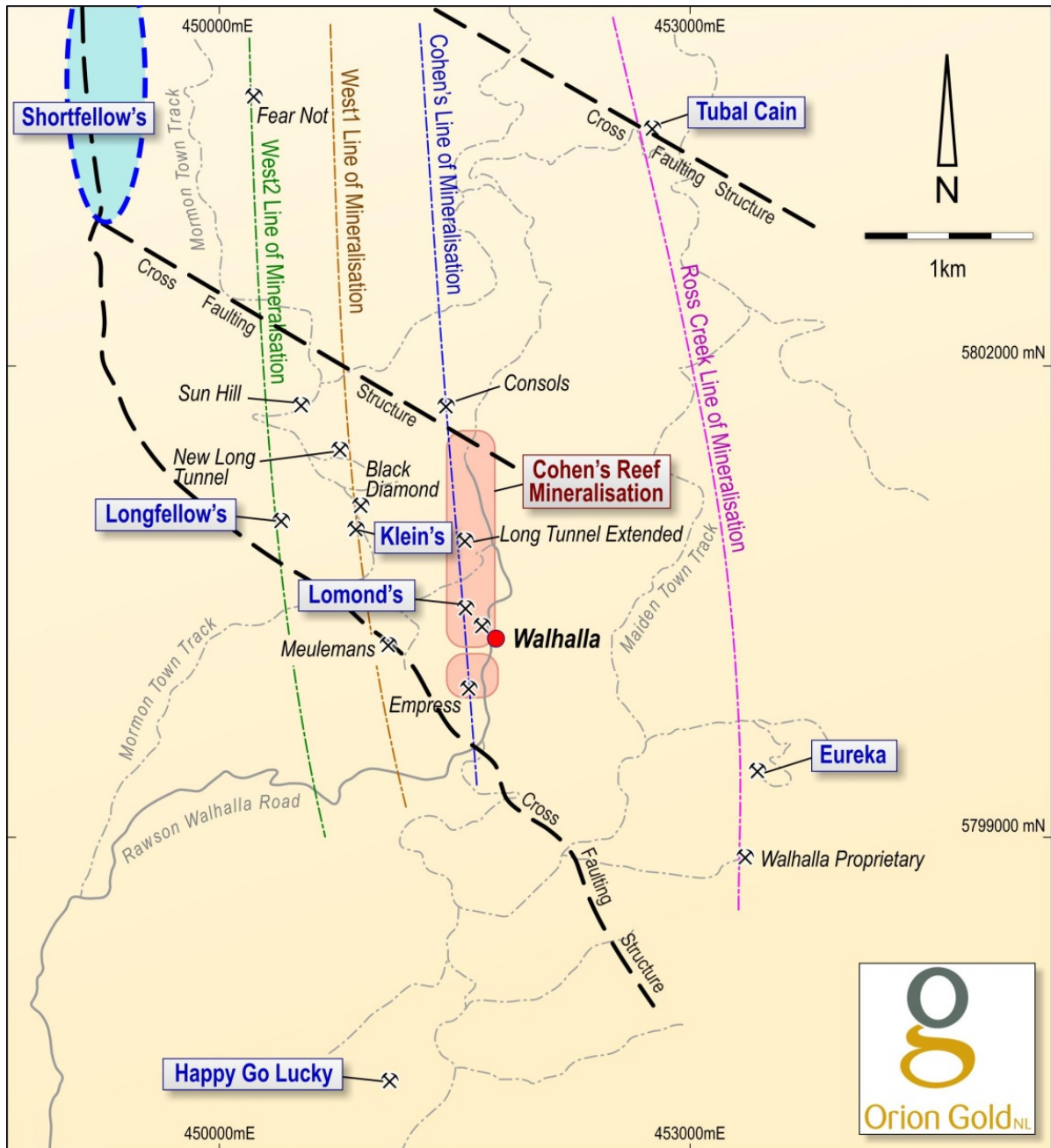


Figure 2: Walhalla Region – note that deposits tend to occur where mineralised north-south structures are intersected by cross-cutting structures.

Competent Person's Statement

Exploration information in this report has been compiled and assessed under the supervision of Dr James Anderson, Orion Gold NL's General Manager – Exploration, from historical records and field investigation. Dr Anderson is a member of the AusIMM (CP) and has extensive experience in the identification of gold mineralisation of this style. Dr Anderson consents to the public release of the information in the context contained within this release.

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.