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ASX RELEASE

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SALE OF RUTHERFORDS TABLE UNCONDITIONAL

Orion Metals is pleased to announce the sale of Rutherford Table (ML 1035 & ML 1060) is now unconditional following the early completion of due diligence by Goodland Mining Pty Ltd and indicative approval from the Minister.

Orion entered into a tenement sale contract with Goodland Mining in November 2010 to sell Rutherfords Table (ML 1035 & ML 1060) and plant and equipment for \$450,000 plus GST. The due diligence period, originally scheduled for completion by 17 December, was bought forward to 8 December 2010.

A \$50,000 deposit has been paid to Orion, with the balance expected in April 2011 following formal Ministerial approval.

Under the Rutherford sale agreement, Goodland Mining will continue existing production activities on the tenements and in return, Orion will receive a 10% royalty on gross sales, plus a plant hire fee of \$250 per operating day. This royalty arrangement will remain in place until the Rutherfords tenements are transferred.

Sale proceeds from Rutherfords will be used to further Orion's Killi Killi Hills project where 30 RC drill holes and wide ranging rock chip sampling have recently been completed and submitted for ICP MS and ICP OES geochemical analysis.

The petrology and geochemistry of samples from Killi Killi Hills are also being reviewed by world renowned geoscientist Professor Collerson, with his report findings due out later this month.

James Canning-Ure

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Further information on Orion Metals Ltd. visit www.orionmetals.com.au

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