



INVESTOR UPDATE
GOLD, RARE EARTH ELEMENTS & TECH METALS
ASX:ORM

James Canning-Ure
Managing Director

Adrian Day
Geology Director

9th February 2011

ABN: 89 096 142 737



Corporate Overview

- **Shares on issue (ASX:ORM)**
 - 72,244,136 shares on issue
 - \$14.45 Million market capitalisation at 20 cents
- **Options on issue (ASX:ORMO)**
 - 7,445,478 options listed
 - Unlisted options 3.5M
- **Cash on hand \$3.5M**
 - \$4.4M after option conversion 25 February 2011
- **Tight Shareholding**
 - Top 20 shareholders hold 74.6% of listed Shares
 - Jien Mining (China) 15.36%
 - Metallica Minerals (ASX:MLM) 16.43%
 - Conglin Yue (Conglin Group) 16.08%
 - Directors approximately 10%



Vision & Strategy

Vision

- To become a leading Australian explorer of Heavy Rare Earth Elements (HREE) - utilising the best available people, resources and technology.

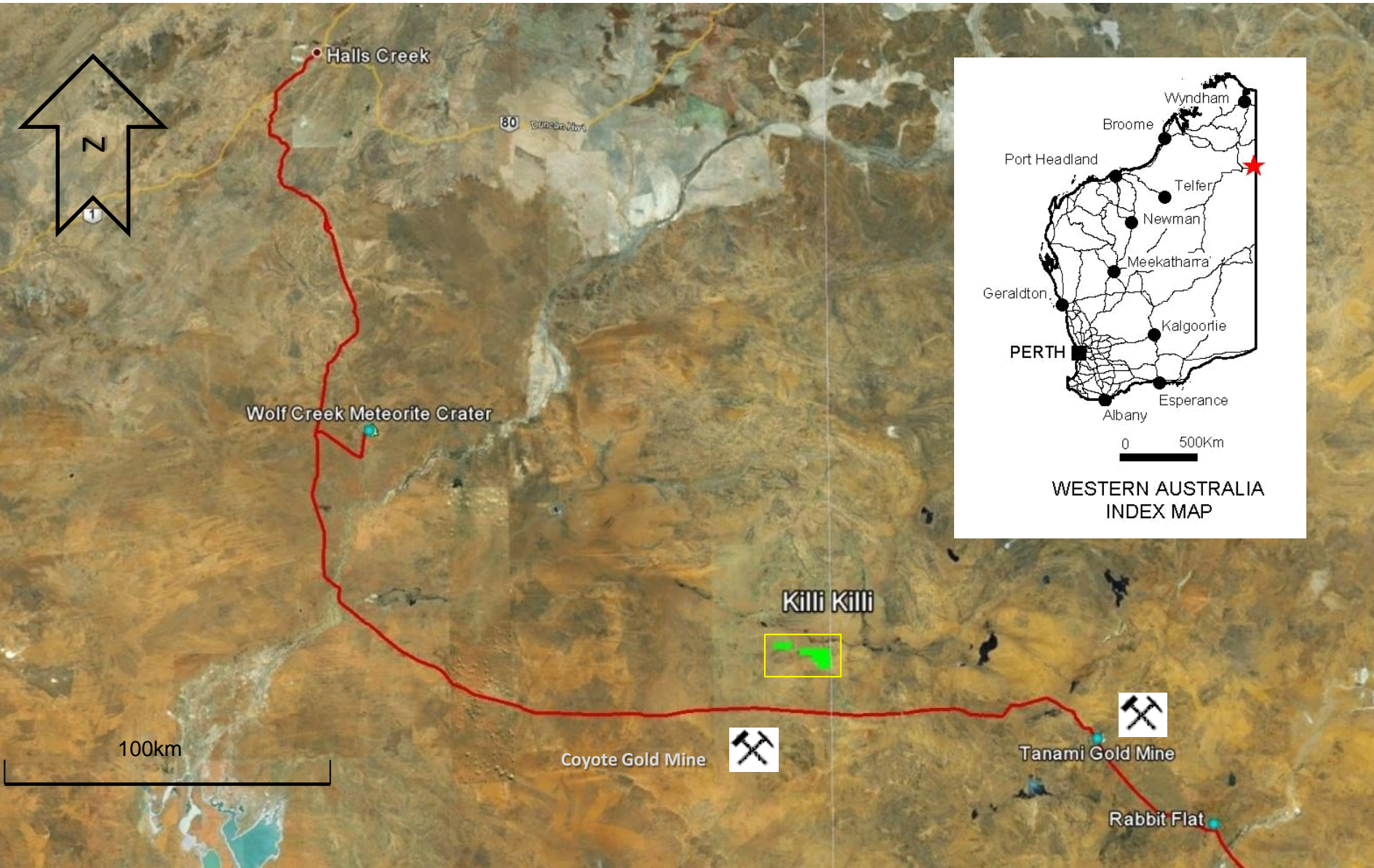
Strategy

- Critical mass by securing new prospects and partners
- Prioritise exploration and rapidly execute plans
- Actively search for other REE and gold opportunities
- Build a team of leading executives and technicians
 - In-house mapping, geophysics and geochemistry
 - Specialist Geologist
- Plan for significant growth

Orion Project Locations



Killi Killi Hills Location



Exploration Update



Killi Killi Hills (HREE) – Major Project

- Highly prospective for HREE, Gold and Uranium
- 30 RC shallow reconnaissance drill holes
- Excellent drilling results released in Dec 2010
 - Exceeded all expectations for the extent of mineralisation
 - Previous announcement was not well understood by the market
- Abundance of “halides” is indicative of HREE mineralisation
- 6 metres gold at 5.85 g/t, rock chips to 9.4 g/t
- Drilling confirmed up to 40% of HREEY to TREEY
- Beneficiation/Metallurgical testing due April
- HREE enriched in unconformity and basement rocks
- 2011 extensive follow up exploration planned
- Expanded regional search
- Investigate “farm in”, purchase and JV with neighbours



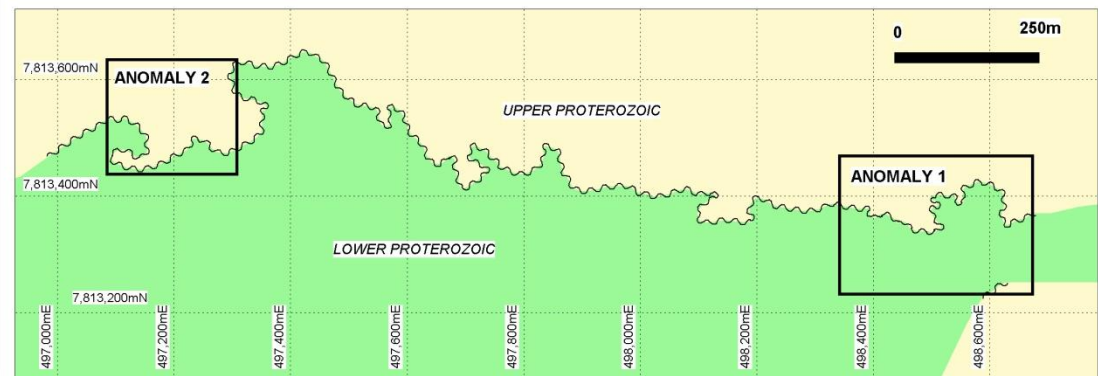
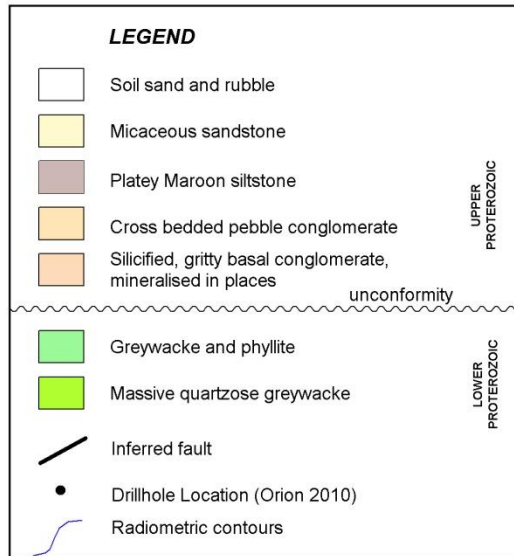
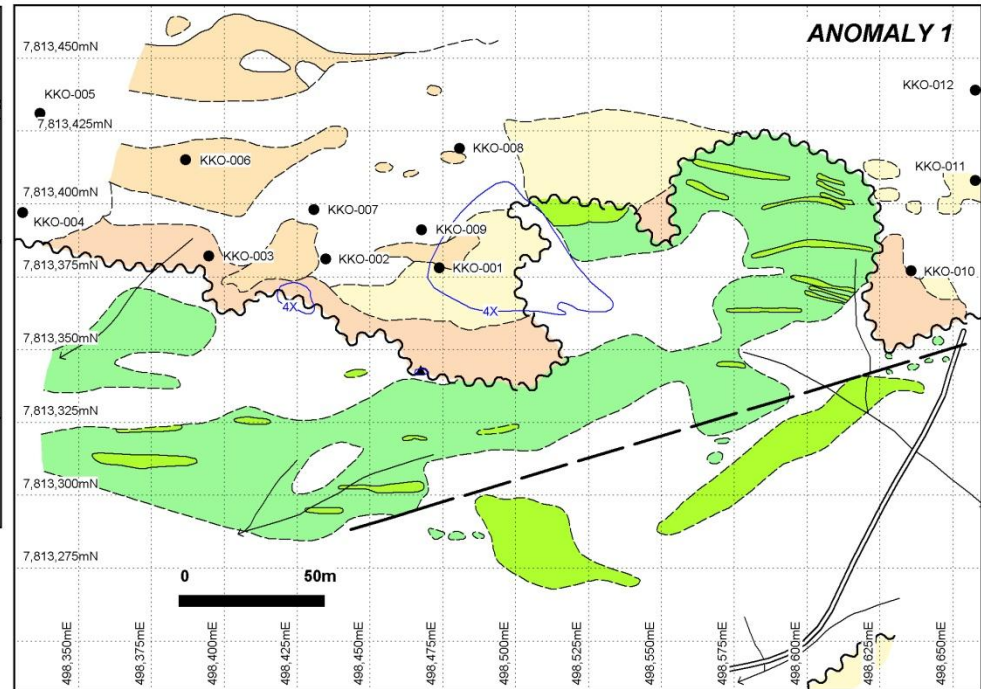
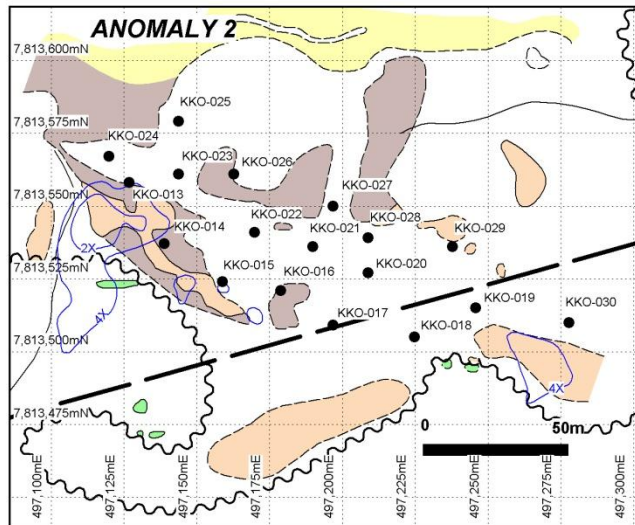
Professor Ken Collerson Report on Killi Killi Hills

Preliminary Findings

- The Killi Killi Hills tenements represent an important potential HREE+Y prospect
- Why Killi Killi Hills is significant:
 - Unconformity is a conduit for hydrothermal fluids
 - These fluids were most likely expelled from a crystallizing igneous complex
 - The regional faults in the area may have provided a pathway for fluids
- Orion's regional exploration focus should be to find the primary REE source

**Professor Ken Collerson is an internationally recognised geoscientist with more than 35 years of experience in Australia and Internationally. He is a renowned specialist in mineralogy, igneous and metamorphic petrology, trace element and isotope geochemistry, tectonics, deep earth geodynamics, Archean and Proterozoic crustal evolution.*

Drilling November 2010 - Actual



ORION METALS LIMITED
 KILLI KILLI EAST PROJECT - WESTERN AUSTRALIA
 DRILLHOLE LOCATIONS (2010)

Killi Killi Drilling Results



Table 1 - REE & Gold Mineralised Drill Intercepts (ppm)

Sample	LREE grams per tonne					HREE grams per tonne							Gold
	Y	La	Ce	Nd	Sm	Eu	Gd	Tb	Dy	Er	Tm	Yb	Au
KK01 0 - 6													5.58
KK02 2 - 3													0.21
KK03 1 - 3	534	192	605	774	224	23	137	19	103	55	6	33	0.07
KK04 0- 3	236	151	456	634	156	14	73	9	50	30	4	21	0.07
KK0 7 4 - 6													0.3
KK07 7- 8	26	168	387	326	67	7	29	3	7	3	1	2	0.04
KK09 0 - 2	277	152	485	687	193	17	100	12	57	29	3	17	0.13
KK013 0- 3	507	554	1367	905	248	22	134	20	115	76	10	58	0.25
KK014 0-1	568	319	1118	>1000	423	32	175	23	118	74	8	47	0.02
Kk015 3 - 4													0.4
KK019 2-3	75	251	760	667	144	14	67	6	21	11	1	9	0.02
KK021 6-7													0.12
KK022 3-4	55	274	869	725	116	9	44	4	13	9	1	7	0.01
KK023 1-6	53	222	649	493	82	7	32	3	11	7	1	6	0.01
KK024 1-4	134	355	969	728	139	12	57	6	26	18	2	15	0.02
KK025 4-8													0.44
KK027 2-3	426	471	1364	>1000	205	17	99	13	79	57	8	48	0.01
KK030 3-4	55	184	574	463	119	12	52	5	15	7	1	5	0.02



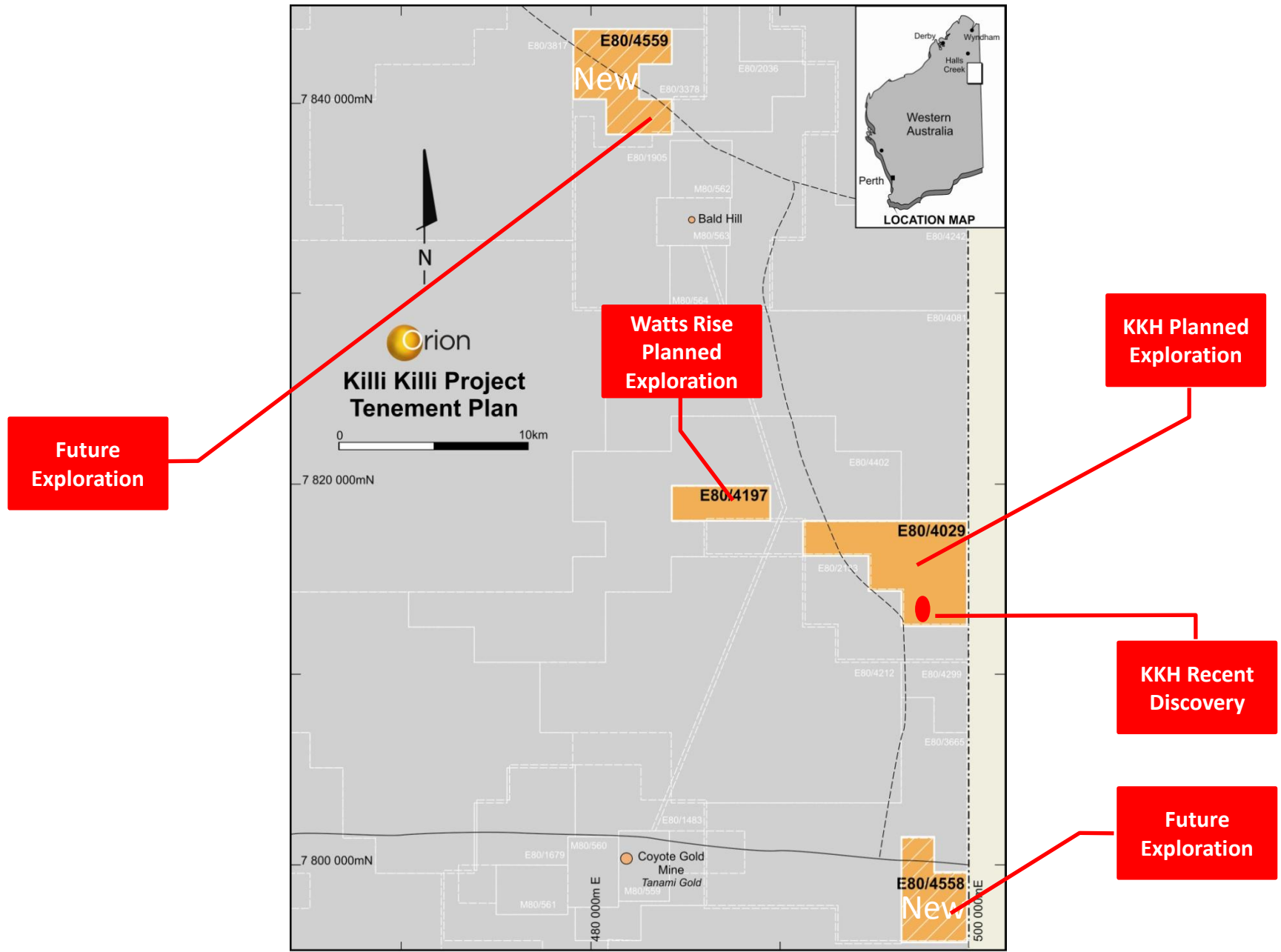
Table 2 – Anomalous REE & Au Drill Intercepts in Basement Rocks (ppm)

Sample	LREE grams per tonne					HREE grams per tonne							Gold
	Y	La	Ce	Nd	Sm	Eu	Gd	Tb	Dy	Er	Tm	Yb	Au
KK05 7 - 11													0.21
KK05 11-18	116	79	176	130	31	4	24	4	22	13	2	10	
KK013 4 - 5	43	223	644	565	103	9	42	4	12	6	1	4	
KK013 4 - 5													0.29
KK016 6 -12	99	65	151	116	28	4	23	4	21	12	2	9	

Table 3. Rock Chip Samples – Significant REE & Gold Results (ppm)

Sample	LREE grams per tonne					HREE grams per tonne							Gold
	Y	La	Ce	Nd	Sm	Eu	Gd	Tb	Dy	Er	Tm	Yb	Au
KK42	121	475	1325	>1000	319	31	145	12	35	19	2	16	0.1
KK43	414	606	1468	>1000	229	19	119	16	105	84	12	76	0.01
KK48	904	811	2071	>1000	357	36	215	33	207	137	18	100	0.03
KK49	1094	263	510	632	159	23	182	35	274	217	31	184	0.01
KK57	1444	367	1118	>1000	608	65	382	54	317	169	19	93	0.71
KK64	56	721	1890	993	142	12	59	6	18	10	1	7	0.01
KK65	108	502	1427	>1000	176	13	66	7	26	20	3	18	0.01
KK66	51	600	1657	987	159	13	67	6	16	8	1	6	0.01

Strengthening our Tanami Position



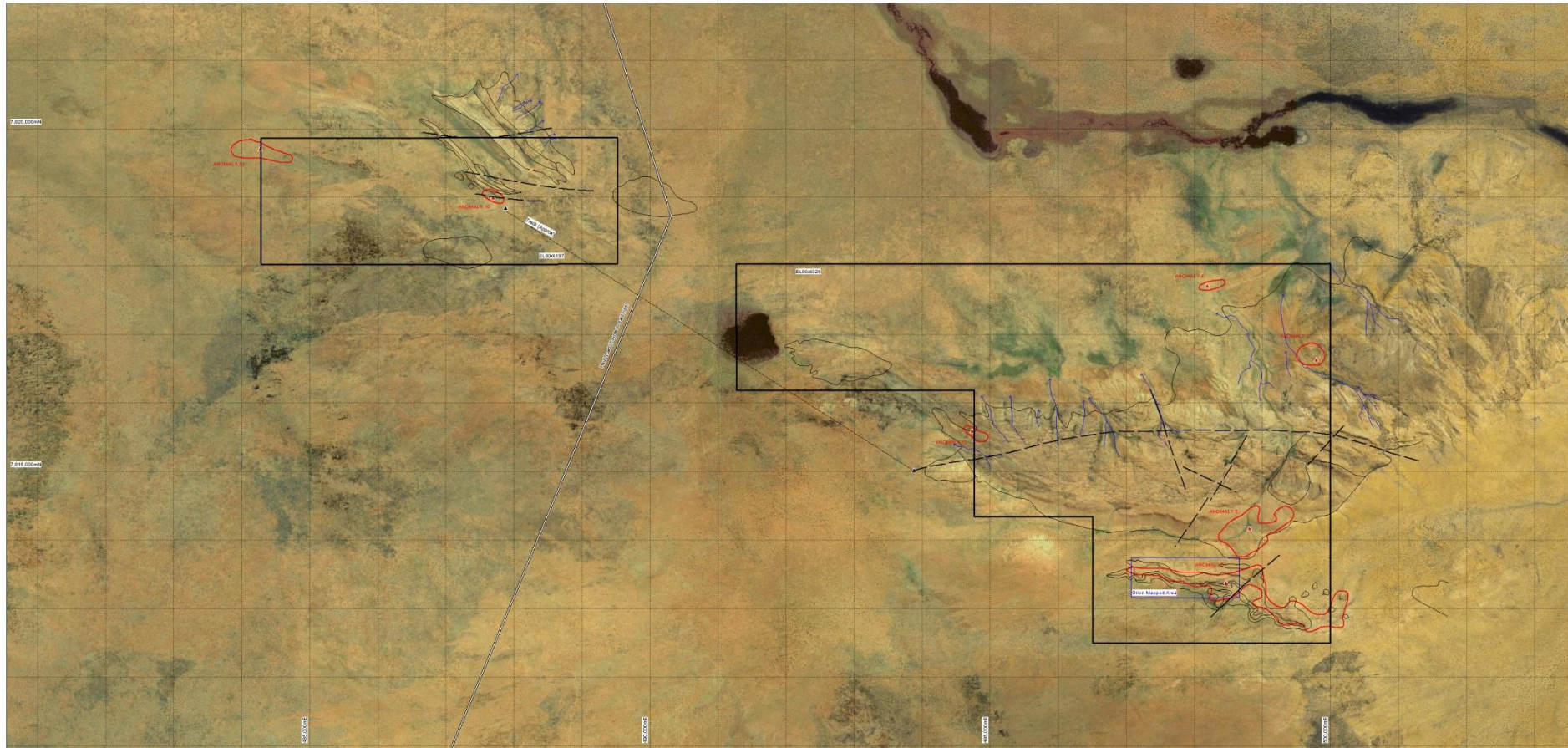


Killi Killi Exploration Plan 2011

- **Tenement acquisition** E80/4558 & E 80/4559 - Jan
- **Desktop Regional Study** - regional geological & geophysical features - Late Feb
- **Metallurgical Testing** - Late Feb - results in April 2011
- **Radiometric Anomalies** - field work to investigate 7 radiometric anomalies - May
- **Magnetic Anomalies** - Review regional trends
- **Geochemical Soil Sampling** - May
- **New Tenements** - Rock chip and soil sampling - May
- **RAB Drilling** - at least 50 holes on both tenements - July / August



Killi Killi - Radiometric Anomalies



GEOLOGY LEGEND

1	Sand
14, 15	Laminated quartz conglomerate with matrix quartzite and ripple marked sandstone
2	Micaceous siltstone and upper conglomerate
3	Basal conglomerate, grit and sandstone
	Unconformity
4	LOWER PROTEROZOIC

Geology from DM, 1959

AEROMAGNETIC LEGEND

ANOMALY 1-12	Radiometric Anomaly 2+ background
▲	Centre of Radiometric anomaly (see table for coordinates)
▲	Start and end points of track (see table for coordinates)

ANOMALY	EAST MGA	NORTH MGA	COMMENT
1	486 760	7 818 833	+20% CONTOUR
2	486 951	7 817 798	+20% CONTOUR
3	488 812	7 814 174	+30% CONTOUR
4	486 488	7 813 381	+45% SPOI
5	487 488	7 813 033	
11	484 274	7 816 797	2.5% SPOI
12	484 733	7 815 467	+2.5% CONTOUR
T1	483 893	7 818 024	Start Track
T2	483 876	7 818 848	End Track



0 500 1000 1500 2000 2500 m
1:25,000

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BROOKDALE, BROOKDALE

KILLI KILLI PROJECT
Western Australia

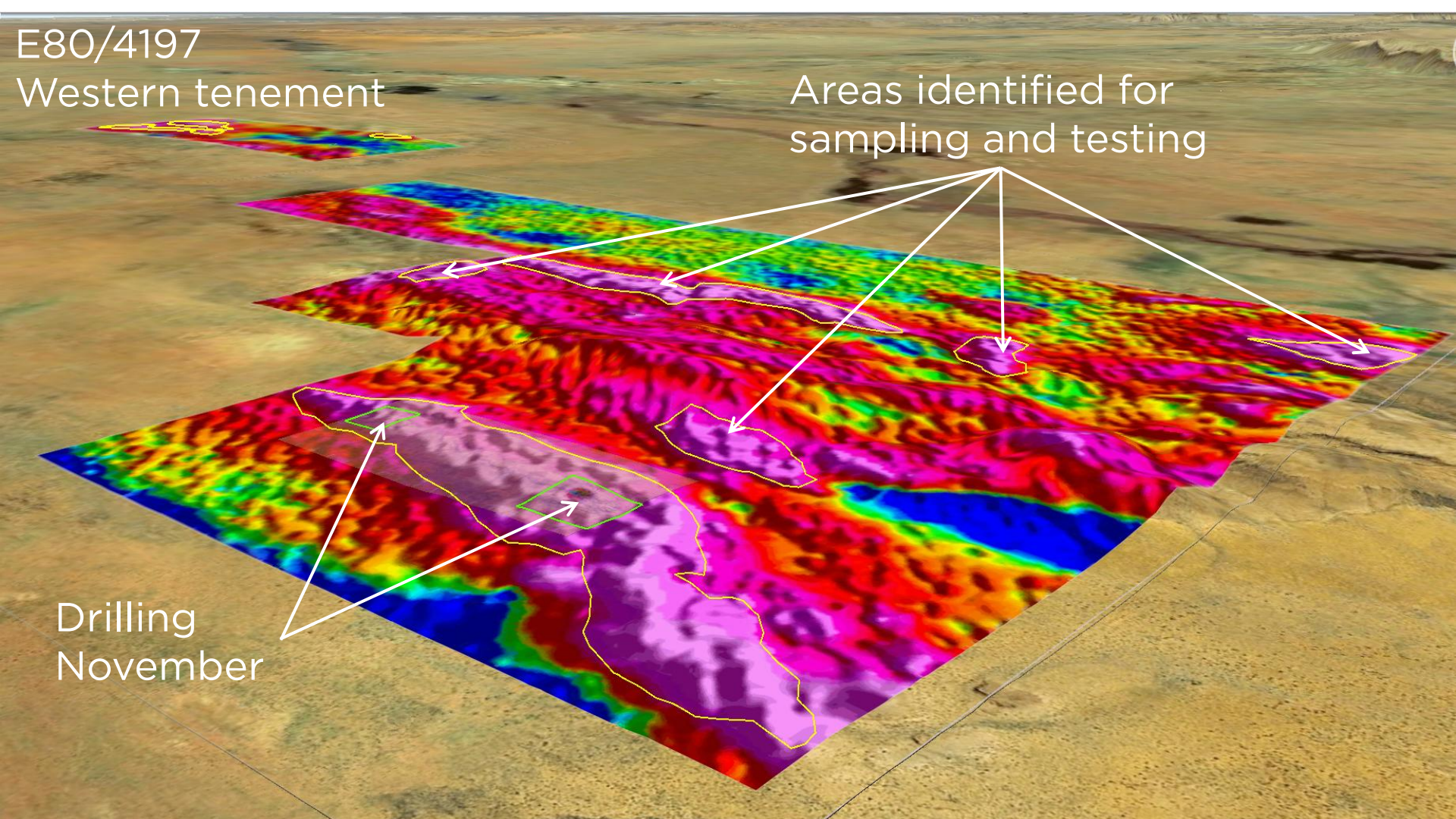
GEOLOGY AND RADIOMETRIC ANOMALIES

COMPILED BY: A. DAY	FEB 11	SCALE: 1:25,000	ENCLOSURE
DRAFTED BY: K.J. CORRIE	FEB 11	PROJ. MGA36 (Zone 52)	
REVISED BY:		Draw No.	



Killi Killi Thorium Hot Spots

Eastern tenement E80/4029



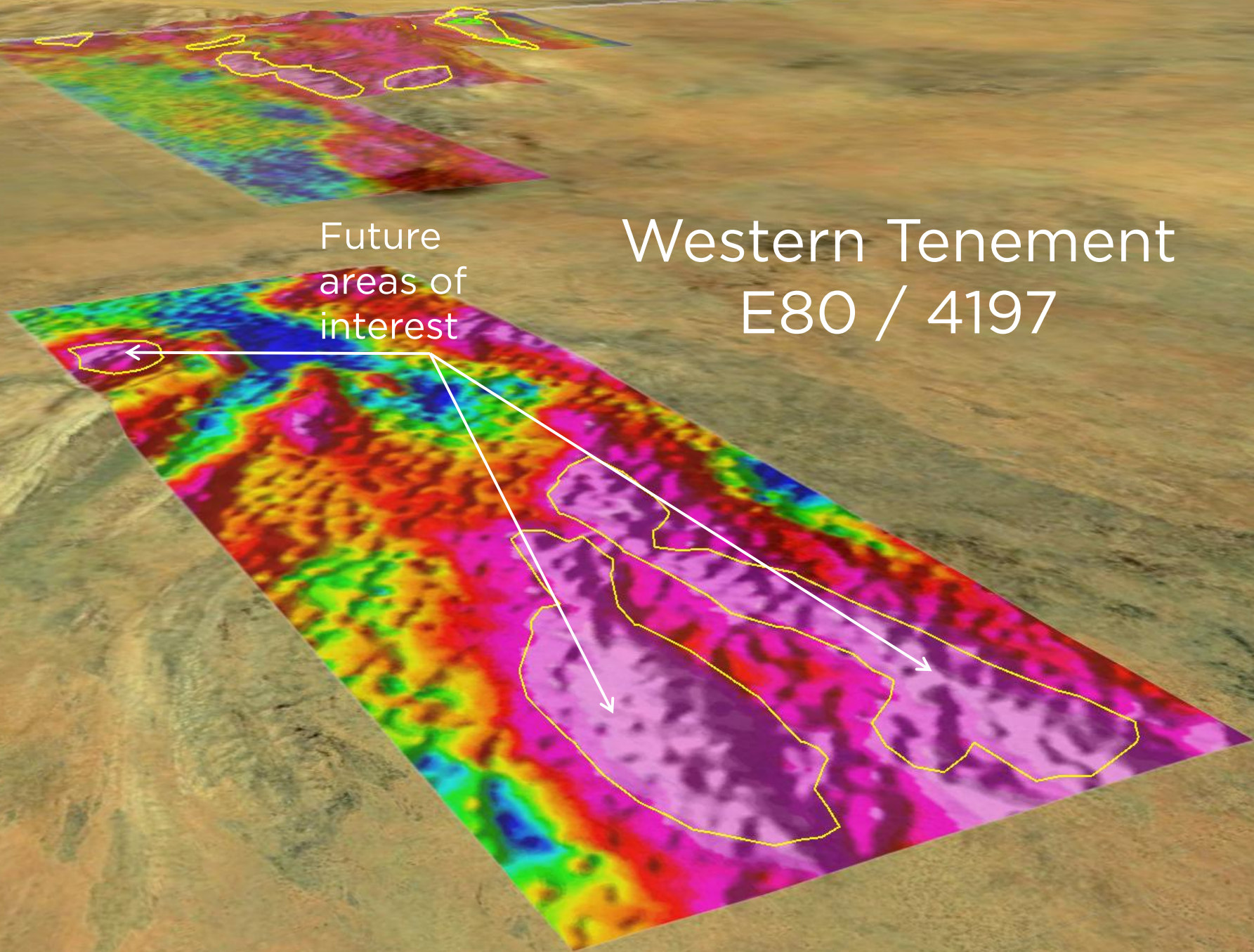
E80/4197
Western tenement

Areas identified for
sampling and testing

Drilling
November

Western Tenement E80 / 4197

Future
areas of
interest





Not all 17 REEs are the same

Two Completely Different Markets

- Light & Heavy

Light Rare Earths LREE

- La, Ce, Nd, Sm – Polishing and Magnets

Heavy Rare Earths HREE

- Gd, Dy, Tb, Lu – Electronics and Magnets

REE Applications



	Catalytic	Magnetic	Electrical	Chemical	Optical
Lanthanum (La)	✓		✓	✓	✓
Cerium (Ce)	✓		✓	✓	✓
Praseodymium (Pr)		✓	✓	✓	✓
Neodymium (Nd)	✓	✓	✓		✓
Europium (Eu)					✓
Gadolinium (Gd)		✓			✓
Terbium (Tb)		✓			✓
Dysprosium (Dy)		✓			✓
Yttrium (Y)					✓



Supply Rare Earth Oxides (tonnes)



Found at KKH

Byron Capital Markets, March (2010)

Oversupply	2010	2011	2012	2013	2014	2015	% 2015
La ₂ O ₃	1,119	3,142	11,384	10,875	13,233	15,455	27%
CeO ₂	2,129	5,791	19,311	18,304	23,348	26,508	25%
Pr ₆ O ₁₁	241	359	1,225	728	912	741	6%
Nd ₂ O ₃	718	1,198	3,666	2,026	2,812	2,129	6%
Sm ₂ O ₃	69	225	486	402	758	828	23%
Eu ₂ O ₃	8	40	70	56	106	99	23%
Tb ₄ O ₇	8	1	1	(16)	15	16	4%
Dy ₂ O ₃	45	(42)	(95)	(217)	(626)	(848)	-7%



Exploration Update

Top Camp gold

- Further drilling program for source of gold anomalies
- Significant intercepts of magnetite with sporadic anomalous Cu & Au
- Review of data and alternatives for future drilling

Bonner & Fulford Creeks REE

- 5 EPM's & 1 MLA in North Qld
- Large drainages containing alluvial heavy mineral accumulations
- Monazite and xenotime radiogenic granite sources
- Large unexplored greisen granite bodies

Rutherfords gold

- Contracted to sell for \$450k – settles March/April 2011



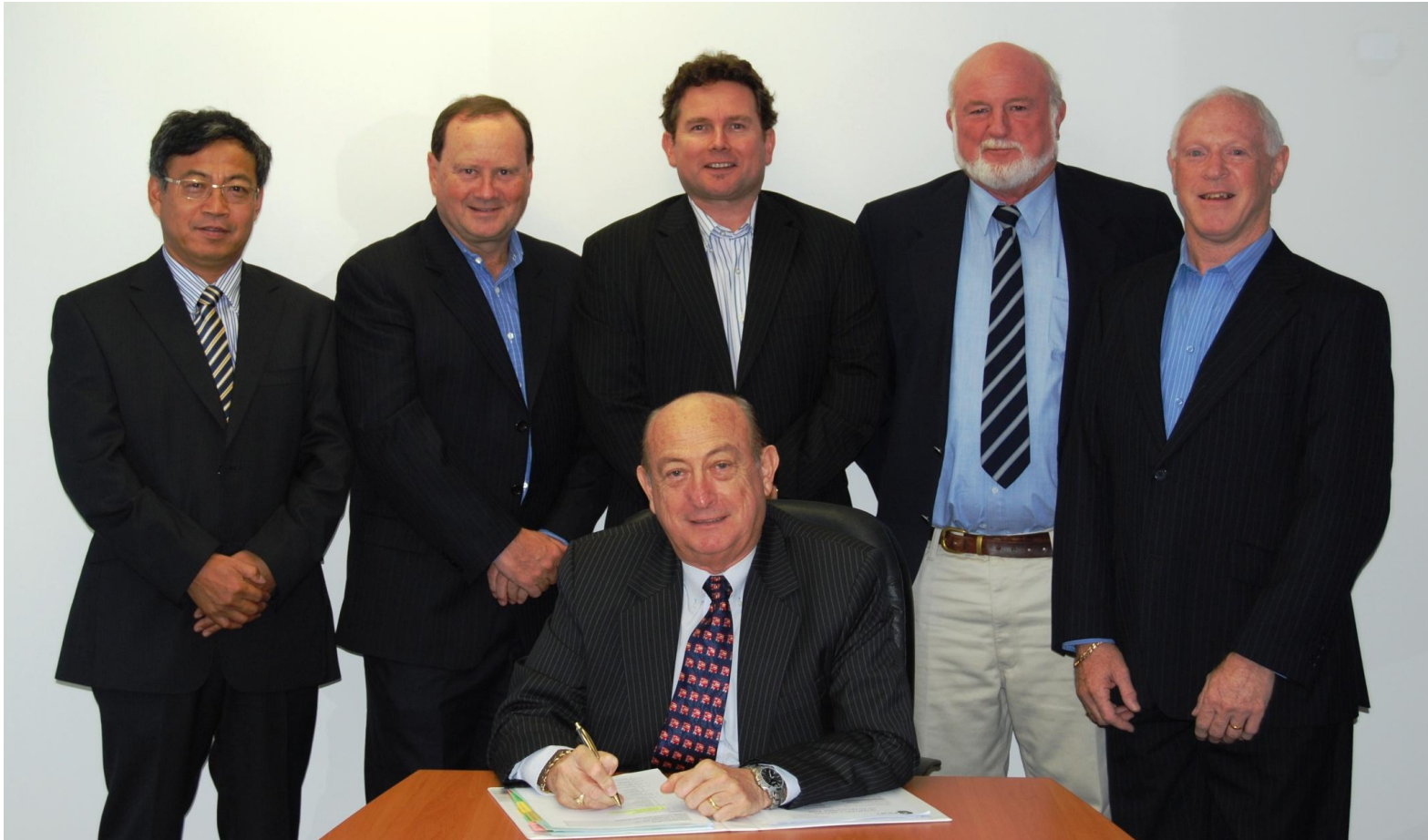
Final Thoughts

- Poised for substantial growth
- Prudent management and financial controls cements a strong financial position
- Review of other projects confirm the value and prospects for KKH
 - New JV's, purchases or farm-ins being offered to us
- Follow up KKH exploration commenced
 - Underpinned by excellent results
 - Extensive mineralisation
- HREE – Highly sought after - critical
- China signals interest in importing HREE



Thank You for your Support

Orion Board



Tao Li Director , James Canning-Ure Managing Director ,Andrew Gillies Director, Adrian Day Director , Bill Lyne Company Secretary,
David Barwick Chairman (Seated)



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