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## Walhalla Gold Project - Commencement of Drilling

- Diamond drilling program has commenced at Orion Gold's Walhalla Gold Project with the first hole targeting the continuity of mineralisation along the West 1 Trend by drill testing the Black Diamond workings.
- Targeting high grade gold in an area that has produced in excess of 1.5 million ounces of gold at >1 ounce of gold per tonne.
- Initial 6,500 metre (16 hole) diamond drilling program is scheduled to be completed by mid 2010.

The Directors of Orion Gold NL ("Orion Gold" or "the Company") are pleased to announce that the Company has commenced drilling at its Walhalla Gold Project.

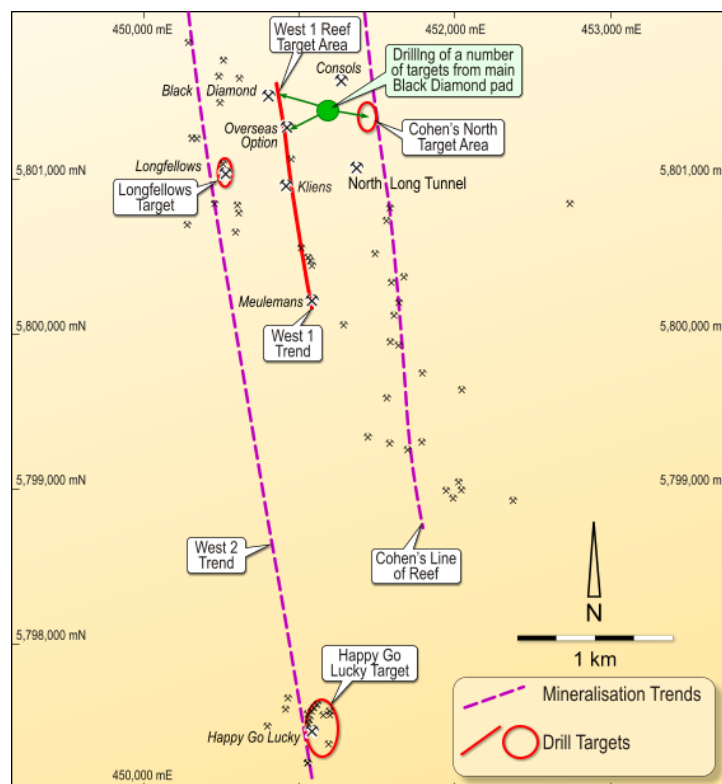
The commencement of diamond drilling at the Walhalla Gold Project signifies another important milestone for Orion Gold. The current drilling program represents the culmination of months of detailed review of historic mining and exploration data by Orion Gold personnel, which has resulted in the identification of numerous high priority drill targets within the Company's highly prospective Walhalla Gold Project area.



Figure 1: Drilling rig on Black Diamond Pad

Based upon the data from 130 years of exploration and mining activities including the previous work completed by Orion Gold, the Company has identified a number of highly prospective targets where additional mineral resources may occur. It is on these areas that the initial drill program will focus with the aim of establishing near surface mineral resources.

The proposed drilling program comprises 16 diamond drill holes totalling approximately 6,500 metres of diamond drilling and is expected to be completed by July 2010. The initial hole will target the continuity of mineralisation along the West 1 Trend by drill testing the Black Diamond workings. The position of the various mineralised trends and the target locations are shown in figure 2.



**Figure 2:** Position of mineralised trends in the Cohen's area and the location of drill targets.

The objectives of the drill program are to:

- confirm the continuity of mineralisation along the West 1 Trend by drill testing the Meulemans - Kleins - Black Diamond - Overseas Option - New North Long Tunnel series of workings.
- test potential extensions of Cohen's Reef. A priority exploration target has been identified in the northern part of Cohen's that will be drilled from surface as part of the West 1 program. The target area is the northern (up plunge) extension of the interpreted upper shoot that was mined by the Long Tunnel Extended Company. If this shoot continues northwards into the North Long Tunnel ground, a large block of unexploited ore may exist relatively close to the surface. The Company considers the Cohen's Line of mineralisation to be highly prospective given the significant historic production (approximately 1.5 million ounces) and recovered grade (>1 ounce of gold per tonne) from the Cohen's Line.
- test targets along the West 2 Trend, including holes in the vicinity of the Longfellows and Happy-Go-Lucky workings.

The program will aim to illustrate the continuity of mineralisation along the Cohen's Line and parallel structures leading to the development of high grade near surface mineral resources based upon continuous, planar, laminated reef mineralisation.

Denis Waddell  
**Executive Chairman**

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.