

ORION MINERALS GROUP LIMITED
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The Company is pleased to release its audited preliminary results for the year ended 30 June 2013.

Audited Preliminary Financial Statements for the year ended 30 June 2013

ORION MINERALS GROUP LIMITED		
Results for Release to the Market		
Reporting Period	12 Months to 30 June 2013	
Previous Reporting Period	12 Months to 30 June 2012	
	Amount US \$000's	Percentage change
Revenue from ordinary activities	\$0	0%
Profit (Loss) from ordinary activities after tax attributable to security holder	(\$784)	(240.5%)
Net Profit (Loss) attributable to security holders	(\$784)	(240.5%)
Interim Dividend	It is not proposed to pay a dividend	
Record date	N/a	
Dividend date	N/a	

The Company's Functional Currency is US Dollars

Results

The Group's preliminary financial results for 2013 are attached.

These attached results include:

- Statement of comprehensive income
- Statement of movements in equity
- Statement of financial position
- Statement of cashflows
- Segmental information

The Group's result shows a net loss of US\$784,000 for the year ended 30 June 2013.

This result is comprised of foreign exchange losses of US\$482,000.

The Company had 414,550,000 ordinary shares on issue during the reporting period. No shares were issued during the reporting period.

The net tangible assets per share as at 30 June 2013 is USD 1.79 cents (2012: USD 1.98 cents). The basic loss per share for the period was USD 0.189 cents. (2012 earnings: USD 0.135 cents).

Directors' Report

The Directors have been seeking business arrangements that provide the best long term opportunities for the Company. As advised to the market the Company has determined that a scrap metal business aimed at exporting scrap metal will provide good opportunities for the Company.

At a Special Meeting of shareholders on 17 July 2013 shareholder approval was given to commence a new business operation in Australia processing scrap metal for export sale to Chinese markets.

The key components of the new business are as follows:

- The Company has set up an Australian incorporated company, China Scrap Metal Resources Pty Limited, ("China Scrap Metal Resources") a wholly owned subsidiary of the Company to undertake business operations in Australia. The Company has advanced AUD \$1,000,000 to China Scrap Metal Resources subsequent to year end;
- China Scrap Metal Resources has entered into a lease arrangement to lease a 4.5 hectare industrial site located in Geelong, Melbourne approximately 9 km from the Geelong Port. The annual rental for the lease is AUD \$195,000 per annum, plus operating expenses. The lease has an initial term of two years, with a further right of renewal of two years;
- China Scrap Metal Resources is in the process of acquiring (by purchase or equipment lease) specialised plant and equipment to process, weigh and transport the scrap metal;
- It is expected that the capital costs of acquiring the plant and equipment will be approximately USD \$746,000 and as at the date of this report no plant and equipment purchases or leases have been concluded;
- China Scrap Metal Resources will employ several staff to operate the scrap metal facility and the aggregate annual salary costs are expected to be approximately AUD \$410,000;
- China Scrap Metal Resources will aggregate sort and process the scrap metal at its premises and then market the scrap into the international scrap metal markets;
- The Company is in the process of obtaining all town planning consents required to operate the business operation from the leased premises. The primary consent required to be obtained is the planning permit for the permitted use to be issued by the City of Greater Geelong.

Scrap metal acquisition, processing and sales operations are not expected to begin before the October quarter of 2013 and the timing is primarily dependent on the receipt of the permitting approvals of the City of Greater Geelong.

The financial result for the year ended 30 June 2013 for the Company is a loss of USD \$784,000, brought about mainly through the decline in value of the Australian Dollar against the US Dollar. The Company decided to convert most of its US dollar cash to Australian Dollar cash so as to de-risk any Australian investment. Unfortunately as the Company reports in US Dollars, the recent decline in the Australian Dollar to US Dollar cross rate has impacted the Company's profits. The foreign exchange loss component is USD \$482,000.