ORION MINERALS GROUP LIMITED
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The Company is pleased to release its unaudited preliminary full year results for the period ended 30 June 2011.

Unaudited Preliminary Financial Statements for the twelve months ended 30 June 2011

ORION MINERALS GROUP LIMITED		
Unaudited Results for Release to the Market		
Reporting Period	12 Months to 30 June 2011	
Previous Reporting Period	12 Months to 30 June 2010	
	Amount US $000's	Percentage change
Revenue from ordinary activities	$0	0%
Profit (Loss) from ordinary activities after tax attributable to security holder	($6)	99.75%
Net Profit (Loss) attributable to security holders	($6)	99.75%
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 unaudited preliminary financial results for 2011 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 unaudited result shows a net loss of US$6,000 for the financial year ended 30 June 2011.

This result is a major improvement on the prior year which reported a loss of US$2,389,000 for the year ended 30 June 2010. The improvement in the financial result this year was due to realised foreign exchange gains and reduced overhead costs, particularly in Chile where the company has successfully disestablished its operations.

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 for the period is US$1.84 cents (2010: US$1.84 cents).
The basic earnings per share for the period was (US$0.001) cents. (2010: (US$0.30) cents).

Directors Report

The Board spent a significant amount of time reviewing the Company's operations in Chile and the viability and economics of continuing to maintain its business strategy in Chile. Following the conclusion of the Board's review of the Chilean operations, the Board resolved to discontinue its present business strategy of investigating opportunities to invest in iron ore (and other mineral) projects in Chile.

The principal reasons for this decision relate to the difficulties associated with developing iron ore projects in Chile, namely:

- There are few deep water port facilities which OMG can readily exploit to ship iron ore economically;
- Any potentially suitable port facilities in Chile would require significant capital expenditure by the Company to get those facilities to a suitable specification to process iron ore efficiently.
- The prospective capital costs render the expenditure uneconomic;

Given the geography of Chile there is a significant shortage of water to process iron ore and iron ore tailings economically as the primary iron ore deposits located in Chile are located in Copiapó, the driest desert in the world.

Local governments have very strict regulations on using underground water for industrial use. The costs of acquiring access to water, together with the costs of complying with local government requirements relating to water make the scarcity of water a significant factor against developing a viable mining operation in Chile for the Company;

The current cash position of the Company of approximately US$7.6 million was not sufficient to develop a standalone mining project in Chile, nor enough to fund an iron ore tailings processing project.

The Board instructed its executive in Chile to wind down its operations in Chile and liquidate all of its assets which were located in Chile. These assets were primarily motor vehicles and trucks.

Future Prospects

The Board has considered opportunities available to the Company and has resolved that an alternative business strategy that the Company may pursue is to undertake private equity investment in projects and companies with Chinese market potential.

This new initiative may involve acquiring stakes in businesses requiring capital to grow, or may comprise investing in businesses prior to them undertaking an initial public offering of their securities on the Chinese stock exchange.

The Board considers that the Company is well placed to use the strong network of associates that its major shareholder, Fengli Group, has in China and the greater Asian region, to source prospective investment opportunities for the Company.

The Board believes that superior returns may be generated by the Company investing in the Chinese and greater Asian private equity markets having regard to the exceptional growth in that region.

The Company identified and considered entering into an arrangement to acquire 100% of the shares on issue in Taiford (Asia) Limited, which company in turn owned 2% of the share capital in China Home & Commercial Space Group Limited (“CHC”) for a total aggregate purchase price of US$6,073,950.

CHC is a leading vertically integrated total solution provider in the People’s Republic of China, providing personalised interior design and consultation services, project management and installation services, home finishing products as well as furniture and fittings. CHC’s business includes retail of its own branded consumer products and the provision of tailor-made turnkey services. CHC’s business comprises its business to consumer (“B2C”) business and business to business (“B2B”) business.

It was anticipated that CHC would undertake an initial public offering of its securities on the Chinese stock exchange within the next 12 to 24 months.

A Special Meeting of OMG shareholders' was called to consider the prospective acquisition as the settlement of the acquisition of the interest CHC was conditional upon the approval of the shareholders of the Company. However, prior to the Special Meeting proceeding, the Directors resolved to not proceed with the acquisition of Taiford (Asia) Limited.

The Board continues to consider opportunities available to the Company and in particular its focus on undertaking private equity investment in projects and companies with Chinese market potential.