

PRELIMINARY ANNOUNCEMENT

Orion Minerals Group Limited

(Name of Listed Issuer)

For Reporting Period Ended 31st December 2009 (see comment below)

Unaudited Preliminary report for the reporting period ended 31 December 2009 on consolidated results in accordance with Listing Rule 10.4.2
The Issuer has a formally constituted Audit Committee of the Board of Directors.

Although the Parent's reporting period end is currently 30 June, the Subsidiary currently has a reporting period end of 31 December and as such the comparative results for the 6 months ended 31 December 2008 are not available for the Subsidiary.

The consolidated financial statements for the Group are therefore for the 6 months to 31 December 2009 and the 12 to 31 December 2009, with comparatives for the previous 12 months to 31 December 2008. The comparatives comprise the results of the Subsidiary for the whole period and the Parent since the date of the reverse acquisition on 11 December 2008. The Directors confirm that the provision of 12 monthly comparatives in place of 6 month comparatives is not misleading and that there are no seasonal variation in revenue and expenses which are not disclosed.

	Consolidated Statement of Financial Performance		
	Six months ended	Year ended	Year ended
	31-Dec-09	31-Dec-09	31-Dec-08
	\$US'000	\$US'000	\$US'000
1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE			
1.1 OPERATING REVENUE			
a Trading Revenue			
b Other Revenue	-	4	1
c Total Operating Revenue	-	4	1
1.2 OPERATING *SURPLUS (DEFICIT) BEFORE TAXATION	(1,842)	(3,273)	(440)
a Less taxation on operating result	2	17	8
1.3 OPERATING *SURPLUS (DEFICIT) AFTER TAX	(1,840)	(3,256)	(432)
a Extraordinary Items after Tax [detail in Item 3]			
b Unrealised net change in value of investment properties			
1.4 NET *SURPLUS (DEFICIT) FOR THE PERIOD	(1,840)	(3,256)	(432)
a Net *Surplus (Deficit) attributable to minority interests			
1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	(1,840)	(3,256)	(432)

	Consolidated Statement of Financial Performance		
	Six months ended	Year ended	Year ended
	31-Dec-09	31-Dec-09	31-Dec-08
	\$US'000	\$US'000	\$US'000
2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR REPORTING PERIOD			
2.1 INCLUDED IN CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE			
a Interest revenue included in Item 1.1(b)	0	4	1
b # Unusual items for separate disclosure (gain/loss) (detail - Item 3)			
c Equity earnings (gain/loss) (detail - Item 16)			
d Interest expense included in Item 1.2 (include all forms of interest, etc)	15	25	49
e Leasing and renting expenses			
f Depreciation	78	148	77
g Diminution in the value of assets (other than depreciation)	459	595	0
h Amortisation of goodwill			
i Amortisation of other intangible assets			
j Impairment of goodwill	0	307	0
k Impairment of other intangible assets			

	Consolidated Statement of Financial Performance		
	Six months ended	Year ended	Year ended
	31-Dec-09	31-Dec-09	31-Dec-08
	\$US'000	\$US'000	\$US'000
2.2 SUPPLEMENTARY ITEMS			
a # Interest costs excluded from Item 2.1(d) and capitalised	0		
b # Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles			
c Unrecognised differences between the carrying value and market value of publicly traded investments			

#Items marked in this way need to be shown only if their inclusion as revenue or exclusion from expenses has had a material effect on reported *surplus (deficit)

3 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP	Group - Current Six months

9 CURRENT ASSETS:		31-Dec-09 \$US'000	30-Jun-09 \$US'000	31-Dec-08 \$US'000
(a)	Cash	8,591	9,966	1,314
(b)	Trade receivables			
(c)	Investments			
(d)	Inventories			
(e)	Other assets, current	84	120	88
TOTAL CURRENT ASSETS		8,675	10,086	1,402
9.1 NON-CURRENT ASSETS				
a	Trade receivables			
b	Investments			
c	Inventories			
d	Property, plant and equipment	93	172	319
(e)	Goodwill	0	0	307
(f)	Deferred Taxation Assets	6	4	2
(g)	Other Intangible Assets	0	71	71
(h)	Other assets, non current	11	57	
9.2 TOTAL NON-CURRENT ASSETS		110	304	699
9.3 TOTAL ASSETS		8,785	10,390	2,101
9.4 CURRENT LIABILITIES				
a	Trade Creditors	122	55	43
(b)	Income in advance, current			
c	Secured loans	66	68	49
d	Unsecured loans	0	34	110
e	Provisions, current	15	29	11
f	Other liabilities, current	67	104	8
TOTAL CURRENT LIABILITIES		270	290	221
9.5 NON-CURRENT LIABILITIES				
a	Accounts payable, non-current			
(b)	Secured loans	12	43	55
(c)	Unsecured loans	782	496	674
(d)	Provisions, non-current			
(e)	Deferred Taxation Liability, non-current			13
(f)	Other liabilities, non-current			
Consolidated Statement of Financial Position				
		31-Dec-09 \$US'000	30-Jun-09 \$US'001	31-Dec-08 \$US'000
9.6 TOTAL NON-CURRENT LIABILITIES		794	539	742
9.7 TOTAL LIABILITIES		1,064	829	963
9.8 NET ASSETS		7,721	9,561	1,138
9.9 SHAREHOLDERS' EQUITY				
(a)	Share capital (optional)	12,544	12,544	2,705
(b)	Reserves (optional) (i) Revaluation reserve (ii) Other reserves			
(c)	Retained Surplus (accumulated Deficit) (optional)	(4,823)	(2,983)	(1,567)
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER		7,721	9,561	1,138
9.11 TOTAL SHAREHOLDERS' EQUITY				
(a)	Returns on Assets (%) (EBIT divided by Total Assets)	-21%	-31%	-19%
(b)	Return on Equity (%) (Net Income divided by Shareholders' Equity)	-24%	-34%	-38%
(c)	Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	14%	9%	85%
Consolidated Statement of Cash flows				
		Six months ended 31-Dec-09 \$US'000	Year ended 31-Dec-09 \$US'000	Year ended 31-Dec-08 \$US'000
10 CASH FLOWS RELATING TO OPERATING ACTIVITIES				
(a)	Receipts from customers			28
(b)	Interest received	0	4	1
c	Dividends received			
d	Payments to suppliers and employees	(1,197)	(1,989)	(450)
e	Interest paid	(15)	(25)	(50)
(f)	Income taxes paid			(24)
(g)	Other cash flows relating to operating activities			
NET OPERATING FLOWS		(1,212)	(2,010)	(495)
11 CASH FLOWS RELATING TO INVESTING ACTIVITIES				

(a)	Cash proceeds from sale of property, plant and equipment			
(b)	Cash proceeds from sale of equity investments			
(c)	Loans repaid by other entities			
(d)	Cash paid for purchases of property, plant and equipment	(220)	(279)	(267)
(e)	Interest paid - capitalised			
(f)	Cash paid for purchases of equity investments	0	0	(138)
(g)	Loans to other entities			
(h)	Other cash flows relating to investing activities	(122)	(179)	(4)
	NET INVESTING CASH FLOWS	(342)	(458)	(409)

(See Note (IX) attached)

12 CASH FLOWS RELATED TO FINANCING ACTIVITIES

(a)	Cash proceeds from issue of shares, options, etc.	0	9,839	2,500
(b)	Borrowings	252	360	710
(c)	Repayment of borrowings	(70)	(511)	0
(d)	Distributions to Owners on acquisition			(1,000)
(e)	Other cash flows relating to operating activities			
	NET FINANCING CASH FLOWS	182	9,688	2,210

(See Note (IX) attached)

13 NET INCREASE (DECREASE IN CASH HELD)

		(1,372)	7,220	1,306
(a)	Cash at beginning of year	9,966	1,314	8
(b)	Exchange rate adjustments to Item 12.3(a) above	(3)	57	
(c)	CASH AT END OF REPORTING PERIOD	8,591	8,591	1,314

14 NON-CASH FINANCING AND INVESTING ACTIVITIES

Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:

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.....

15 RECONCILIATION OF CASH

For the purposes of the above Statement of cash flows, cash includes:

Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:

Cash on hand and at bank

Deposits at call

Bank overdraft

Other (provide details eg Term Deposits)

Total = Cash at End of reporting period (Item 13(c) above)

Six months ended 31-Dec-09 \$US'000	Year ended 31-Dec-09 \$US'000	Year ended 31-Dec-08 \$US'000
8,591	8,591	1,314
8,591	8,591	1,314

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

16.1 GROUP SHARE OF RESULTS OF ASSOCIATES

(a)	OPERATING *SURPLUS (DEFICIT) BEFORE TAX
(b)	Less tax
(c)	OPERATING *SURPLUS (DEFICIT) AFTER TAX
(i)	Extraordinary items
(d)	NET *SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX

Equity Earnings		
Six months ended 31-Dec-09 \$US'000	Year ended 31-Dec-09 \$US'000	Year ended 31-Dec-08 \$US'000

16.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Reporting period		Contribution to net *surplus (deficit) (Item 1.5)		
	Six months ended 31-Dec-09	Year ended 31-Dec-08	Six months ended 31-Dec-09 \$US'000	Year ended 31-Dec-09 \$US'000	Year ended 31-Dec-08 \$US'000
Equity Accounted Associates					

Equity Accounted in current period

Other Material Interests			<i>Not Equity Accounted in current period</i>		

(b) Investments in Associates		Six months ended 31-Dec-09 \$US'000	Year ended 31-Dec-09 \$US'000	Year ended 31-Dec-08 \$US'000
	Carrying value of investments in associates beginning of reporting period			
Share of changes in associates' post acquisition surpluses/and reserves:				
- Retained surplus				
- Reserves				
Net goodwill amortisation and impairment adjustments in the period				
Less Dividends received in the period				
Equity carrying value of investments at the end of reporting period				
Amount of goodwill included in carrying value at end of that reporting period				

17 ISSUED AND QUOTED SECURITIES AT END OF REPORTING PERIOD

Category of Securities	Number Issued	Quoted	Number Cents	Paid-Up Value (If not fully paid)
PREFERENCE SHARES:				
# (Description)				
Issued during current reporting period				
ORDINARY SHARES: (Parent company)				
Number of shares at beginning of reporting period	899,550,000			
Issued during current reporting period	25,000,000			
CONVERTIBLE NOTES				
# (Description)				
Issued during current reporting period				
OPTIONS:	Issued	Quoted	Exercise Price	Expiry Date
Issued during current reporting period	0			
DEBENTURES - Totals only:	\$0.00	\$		
UNSECURED NOTES - Totals only:		\$		
OTHER SECURITIES		\$	\$	

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

a Material factors affecting the revenues and expenses of the group for the current reporting period

Nil

- b Significant trends or events since end of current reporting period
Nil
- c Changes in accounting policies since last Annual Report and/or last Half Yearly to be disclosed
Nil
- d Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain
Nil
- e Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty
Nil
- f Other comments
Nil

19 DIVIDEND Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)

- (a) *Nil*
Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)
- (b) *Nil*

Appendix I

Section 5 Earnings per Share

This section relates to the Earnings of the Parent to the weighted average number of shares on issue through the period.

Net loss attributable to shareholders for the Period (US\$)	(\$1,840, 000)
Shares on Issue at Period Beginning	899,550,000
Shares on Issue at Period End	924,550,000
Weighted Average number of shares on Issue	904,849,000

Appendix II

Section 8 Segmental Reporting

Industry

The company is in the iron ore mining industry and owns subsidiary companies that have prospects to mine iron ore in Chile, South America. The company's subsidiaries have not started mining at its prospects and are in the process of pre mine development study of its iron ore prospects

Geography

The company's operating subsidiaries are located in Chile, headquartered in Santiago, Chile, and the potential mining operations are in the northern part of Chile near Copiàpo in the third region of the country.