

ORION MINERALS GROUP LIMITED

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NEW ZEALAND

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Market Information
NZX Limited
WELLINGTON

Entry into conditional agreement to acquire interest in Chinese business

As previously advised, the Board of the Company has considered numerous 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.

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 CHC initiative

The Chinese domiciled directors of the Company have identified and recommended that the Company enter into an arrangement to acquire 100% of the shares on issue in Taiford (Asia) Limited, which company in turn owns 2% of the share capital in China Home & Commercial Space Group Limited ("CHC") for a total aggregate purchase price of USD6,073,950.

CHC are 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 is anticipated that CHC will undertake an initial public offering of its securities on the Chinese stock exchange within the next 12 to 24 months.

The settlement of the acquisition of the interest CHC is conditional upon the approval of the shareholders of the Company. Accordingly, a Special Meeting of OMG shareholders is being called to consider the prospective acquisition.

Further information about the transaction will be provided in the Notice of Special Meeting to be sent to shareholders.

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