ORION MINERALS GROUP LIMITED
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The Company is pleased to release its unaudited half year results for the period ended 31 December 2010.

Preliminary Financial Statements for the six months ended 31 December 2010

ORION MINERALS GROUP LIMITED
Results for Release to the Market

Reporting Period	6 Months to 31 Dec 2010	
Previous Reporting Period	6 Months to 31 Dec 2009	
	Amount US $000's	Percentage change
Revenue from ordinary activities	$0	0%
Profit (Loss) from ordinary activities after tax attributable to security holder	$202	110.98%
Net Profit (Loss) attributable to security holders	$202	110.98%
Interim Dividend	It is not proposed to pay a dividend	
Record date	N/a	
Dividend date	N/a	

The Company's functional currency is United States Dollars

Commentary

The Company reports a profit of $202,000 for the six months ended 31 December 2010. This compares to a loss of $1,840,000 for the six months ended 31 December 2009. The improvement in the result was due to reduced overhead costs in Chile and an exchange gain of $599,000.

The Board has spent a significant amount of time reviewing the Company's operations in Chile and the viability and economics of continuing to maintain its current 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 Copiapo, 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 USD$7.0 million is not sufficient to develop a standalone mining project in Chile, nor enough to fund an iron ore tailings processing project.

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

The Board 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.

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 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 is provided in the Notice of Special Meeting sent to shareholders.

Issued for and on behalf of the Board of Directors