

# ORION MINERALS GROUP LIMITED

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Market Information  
NZX Limited  
WELLINGTON

## **Orion Minerals Group pleased to advise successful completion of US\$12.5 Million equity capital raise with Fengli Group.**

Orion Minerals Group Limited (OMG) advises that it has received US\$ 8,000,000 from Fengli Group (Hong Kong) Co. Ltd. ("Fengli"). This payment represents the balance of the Tranche 1 Subscription Price for 100 million ordinary OMG shares – issued at US\$ 12.5 cents per share for a total of US \$12,500,000.

The successful completion today of the company's capital raising programme enables OMG to finalise its operational plans and commence operations with Fengli as a key cornerstone shareholder and business partner.

OMG believes having Fengli as a cornerstone shareholder is extremely valuable as it will provide market access and capability to the important Chinese market from the outset of its operation. The Fengli group will be a very valuable channel partner for the company.

OMG had initially expected iron ore production and shipment will commence during the third quarter of 2009. However the unprecedented and unexpected reductions in the level and pricing of the global iron ore trade since this year commenced has caused the company to review its business plan and timing and it will not commence exports in the third quarter of the 2009 calendar year. The company is undertaking pre-operating mine development for its concession in Chile and finalizing arrangements for the shipment of ore through ports in Chile.

Further announcements regarding the timing of the commencement of mining and shipping of iron ore by OMG will be made in due course.

### **About Fengli**

Fengli was established in 1983 and is headquartered in Zhangjiagang City, Jiangsu Province, China and has more than 1,200 employees. The corporation has ranked in the top 500 in China and is one of the largest domestic steel processing, manufacturing, and distributing organizations. Fengli has close relationships with the major Chinese steel mills and extensive global trading and shipping businesses.

The company's products include all types of standard precision steel pipe, welded pipe; all types of specification's steel scrap (furnace charge, head metal, briquette, cooling block, medium steel scrap, heavy steel scrap, roll over steel bar material, scrap steel powder fragments, thermo-compression iron slab); Iron ore; Pig iron; Medium plate, round steel, billet, deformed bar, wire rod, hoop; all types of secondary steel products (secondary steel plate, secondary steel pipe, rail, coil).

### **About Orion Minerals Group Limited**

Orion Minerals Group Limited owns Minera Varry S.A, a Chilean company which owns a mining concession in Chile in respect of the excavation, processing and export of iron ore.

### **Further Information**

For further information please contact Roger Gower on 0275 914 112.