

CSM GROUP LIMITED
(formerly Orion Minerals Group)
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The Company is pleased to release its unaudited preliminary results for the year ended 30 June 2016.

Preliminary Financial Statements for the year ended 30 June 2016 (unaudited)

CSM GROUP LIMITED (formerly Orion Minerals Group Limited)		
Results for Release to the Market		
Reporting Period	12 Months to 30 June 2016	
Previous Reporting Period	12 Months to 30 June 2015	
	Amount US \$000's	Percentage change
Revenue from ordinary activities	\$162	(6.9%)
Profit (Loss) from ordinary activities after tax attributable to security holder	(\$1,093)	34.7%
Net Profit (Loss) attributable to security holders	(\$1,171)	46.0%
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 preliminary financial results for 2016 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 result shows a net loss of US\$1,093,000 for the year ended 30 June 2016. The total comprehensive loss for the year to 30 June 2016 is USD \$1,171,000 which includes exchange losses of USD\$94,000 that arose through the weakening of the Australian Dollar against the US dollar. The company holds its cash reserves in Australian dollars as that is the currency where its major expenditure occurs but it reports in the Group's functional currency of US Dollars.

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 as at 30 June 2016 is USD 0.88 cents (2015: USD 1.16 cents). The basic and diluted loss per share for the period was USD 0.2638 cents (2015: USD 0.4041 cents).

Directors' Report

The Company (CSM Group) has continued to carefully build its business exporting scrap ferrous metals to China through its operating China Scrap Metals Resources Pty Limited (CSM). This year it has completed sales of US\$162,000 and continued to acquire inventory at competitive prices.

The Company has developed relationships with suppliers who have provided regular supplies of scrap materials enabling a steady growth in inventory at very competitive costs. However the prolonged weakness in demand for scrap metals in global markets, and particularly ferrous scrap (iron and steel) imported in to China has meant the Company has preferred to hold the bulk of its inventory in the expectation of lifting demand increasing sales prices.

CSM has invested in this business on the basis of long term underlying demand for ferrous scrap in China as the steel making industry increases its share of steel manufactured from scrap compared to that made from pig iron.

The increased share of steel made from ferrous scrap is supported by the Chinese Government for a number of reasons – including the substantial environmental benefits from making steel from ferrous scrap in electric arc furnaces.

Having regard to these factors the Directors remain confident the market opportunity to build a substantial scrap steel trade remains. The Company will continue to proceed cautiously and acquire scrap at prices where it expects to make profitable trades.

Results

The unaudited financial result for the Group for the year ended 30 June 2016 is a net loss of USD\$1,093,000; an improvement on the previous year.