

Tuesday, 14 May 2019

ASX Code: OEQ

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 April 2019

Month Ending:	% Change	30 April 2019 Consolidated	31 March 2019 Consolidated
Net tangible assets (NTA) (before tax)		\$3.122m	\$3.808m
Pre-Tax NTA Backing per share	-18.02%	\$0.1995	\$0.2433
Net tangible assets (after tax)		\$3.122m	\$3.808m
Post-Tax NTA Backing per share	-18.02%	\$0.1995	\$0.2433
Based on total issued share capital		15,649,228	15,649,228

The NTA position comprises the following items:

Net Tangible Assets	Current Month \$'millions	Previous Month \$'millions
Investment in listed Associated Entity:		
(a) Shares in Bentley Capital Limited (BEL)	0.721	1.148
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.550	0.780
Investment in property (held for development/resale)	1.220	1.220
Net cash/receivables/payables/other assets/provisions	0.631	0.660
Pre-Tax NTA	3.122	3.808
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	3.122	3.808


www.orionequities.com.au

Orion Equities Limited

A.B.N. 77 000 742 843

Level 2, 23 Ventnor Avenue, West Perth, Western Australia 6005

ASX : OEQ

T | (08) 9214 9797

F | (08) 9214 9701

info@orionequities.com.au

Notes:

- (1) The Company's investment in BEL, an Associated Entity (i.e. in which the Company has a greater than 20% interest), is accounted for under the equity method in the consolidated financial statements. Under the equity method, the carrying amount of such investment is cost plus a share of the Associate Entity's net profit or loss (after tax) for the financial year to month end as provided to the Company by such Associated Entity. Refer also Note 23 (Investments in Associates) on pages 42 and 43 of the Company's 2018 Annual Report for further details in this regard.

Accordingly, as at 30 April 2019, the Company's 20,513,783 shares (26.95% interest) (31 March 2019: 20,513,783 shares and 26.95%) in BEL have a carrying value of \$0.0352 per share (\$0.721m); this compares with BEL's last bid price on ASX of \$0.086 per share (\$1.764m) and BEL's after-tax NTA backing of \$0.0939 per share (\$1.926m), as at month end.

- (2) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 10,000,000 shares 31 March 2019: 10,000,000 shares) with a value of \$0.055 per share (based on the closing bid price as at 31 March 2019) (31 March 2019: \$0.078).
- (3) The fair value of investments in other listed securities is based on each security's last bid price on market at month end.
- (4) Units invested in the managed fund are valued at the audited unit price published by the investment manager, as at month end – the unit price reflects the net asset backing of the fund; there is no buy/sell spread price; there is no recognition of realisation costs as there are no exit fees charged on redemption of units.
- (5) Investment in property (held for resale) was valued by an independent qualified valuer (a Certified Valuer and Associate Member of the Australian Property Institute) as at 9 June 2017. Refer also Note 12 (Property held for Resale) on page 35 of the Company's 2018 Annual Report for further details in this regard.
- (6) Tax Provision Item (c) includes where applicable, a provision for income tax on net unrealised gains on the Company's investments in securities and its share of Associated Entities' after-tax net profit for the month (deferred tax liability) and the recognition of future income tax benefits on net unrealised losses on the Company's investments in securities and its share of Associated Entities' after-tax net loss for the month (deferred tax asset). Refer also Note 5 (Tax) on pages 27 to 29 of the Company's 2018 Annual Report for further details in this regard.