

# MARKET ANNOUNCEMENT

## Net Tangible Asset Backing – 31 October 2023

| Month Ending:                          | %<br>Change   | 31 October 2023<br>Consolidated | 30 September 2023<br>Consolidated |
|--|---------------|---------------------------------|-----------------------------------|
| Net tangible assets (NTA) (before tax) |               | <b>\$2.204m</b>                 | \$2.186m                          |
| <b>Pre-Tax NTA Backing per share</b>   | <b>+0.81%</b> | <b>\$0.1408</b>                 | \$0.1397                          |
| Net tangible assets (after tax)        |               | <b>\$2.204m</b>                 | \$2.186m                          |
| <b>Post-Tax NTA Backing per share</b>  | <b>+0.81%</b> | <b>\$0.1408</b>                 | \$0.1397                          |
| Based on total issued share capital    |               | <b>15,649,228</b>               | 15,649,228                        |

The NTA position comprises the following items:

| <b>Net Tangible Assets</b>                            | <b>Current Month<br/>\$'millions</b> | <b>Previous Month<br/>\$'millions</b> |
|---|--------------------------------------|---------------------------------------|
| Investment in listed Associated Entity:               |                                      |                                       |
| (a) Shares in Bentley Capital Limited (ASX:BEL)       | * (refer below)                      | -                                     |
| Investments in other listed securities:               |                                      |                                       |
| (a) Shares in Strike Resources Limited (ASX:SRK)      | <b>0.580</b>                         | 0.540                                 |
| Investment in property (held for development/resale)  | <b>1.850</b>                         | 1.850                                 |
| Net cash/receivables/payables/other assets/provisions | <b>(0.226)</b>                       | (0.204)                               |
| <b>Pre-Tax NTA</b>                                    | <b>2.204</b>                         | 2.186                                 |
| Tax Provisions:                                       |                                      |                                       |
| (a) Prior year tax                                    | -                                    | -                                     |
| (b) Current year tax                                  | -                                    | -                                     |
| (c) Net deferred tax asset / (liability)              | -                                    | -                                     |
| <b>Post-Tax NTA</b>                                   | <b>2.204</b>                         | 2.186                                 |

\* Orion notes that the carrying value of its 20,513,783 shareholding in Bentley is based on 'equity accounting' for Bentley as an associate entity – as set out in Note (1) over the page, this manner of accounting has technically reduced the carrying value to Nil – whereas this compares with Bentley's last closing price on ASX of \$0.04 per share (valuing Orion's investment at \$0.821m) and Bentley's after-tax NTA value of \$0.0389 per share (valuing Orion's investment based on Bentley's NTA backing at \$0.798m), as at 31 October 2023.



**Notes:**

- (1) The Company's investment in Bentley Capital Limited (ASX:**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 19 (Investments in Associates) on pages 36 and 37 of the Company's 30 June 2023 Annual Report for further details in this regard.

Under the equity method of accounting for Associate entities, the Company's carrying value of its investment in BEL has been reduced from cost to nil – as a consequence of the Company's accumulated recognition of BEL's net losses. The Company is not required to carry the BEL investment at a negative value (ie. below Nil) and if BEL should generate net profits in the future, the Company will recognise a share of BEL's net profits under the equity method, which will permit the Company to recognise a positive carrying value for BEL.

Accordingly, as at 31 October 2023, the Company's 20,513,783 shares (26.95% interest) (30 September 2023: 20,513,783 shares and 26.95%) in BEL have a nil carrying value; this compares with BEL's last closing price on ASX of 4 cents<sup>1</sup> per share (\$0.821m) and BEL's after-tax NTA backing of \$0.0389 per share (\$0.798m)<sup>2</sup>, as at month end.

- (2) The fair value of investments in ASX-listed Strike Resources Limited (ASX:**SRK**) comprise 10,000,000 shares (30 September 2023: 10,000,000 shares) with a value of \$0.058 per share (based on the closing bid price as at 30 September 2023) (30 September 2022: \$0.054).
- (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) investment in property (held for resale) was valued by an independent qualified licensed valuer of the Australian Property Institute as at 30 June 2023.
- (5) 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 26 to 27 of the Company's 30 June 2023 Annual Report for further details in this regard.

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**AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:**

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1 Based on the last bid price on 20 September 2023; BEL requested a trading halt on 21 September 2023, which transitioned into a request for a voluntary suspension from 25 September 2023, pending the release of a market announcement in relation to BEL's activities.

2 Refer BEL's ASX Announcement dated 9 November 2023: NTA Backing as at 31 October 2023.