



HALF YEAR REPORT

31 December 2020

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2020 ANNUAL REPORT OF THE COMPANY
LODGED ON ASX ON 13 OCTOBER 2020



ASX Code : OEQ

Orion Equities Limited
A.B.N. 77 000 742 843

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- Financial Reports
- Corporate Governance
- NTA Backing History
- Forms
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CORPORATE DIRECTORY**BOARD**

| | |
|-------------|------------------------|
| Farooq Khan | Executive Chairman |
| Victor Ho | Executive Director |
| Yaqoob Khan | Non-Executive Director |

COMPANY SECRETARY

Victor Ho

PRINCIPAL AND REGISTERED OFFICE

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AUDITORS

Rothsay Auditing
Chartered Accountants
Level 1, Lincoln House
4 Ventnor Avenue
West Perth, Western Australia 6005
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STOCK EXCHANGE

Australian Securities Exchange
Perth, Western Australia

ASX CODE

OEQ

SHARE REGISTRY

Advanced Share Registry Services

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APPENDIX 4D HALF YEAR REPORT

This Half Year Report is provided to the Australian Securities Exchange (**ASX**) under ASX Listing Rule 4.2A.3.

| | |
|--------------------------------|---|
| Current Reporting Period: | 1 July 2020 to 31 December 2020 |
| Previous Corresponding Period: | 1 July 2019 to 31 December 2019 |
| Balance Date: | 31 December 2020 |
| Company: | Orion Equities Limited (OEQ or the Company) |
| Consolidated Entity: | Orion and controlled entities (Orion) |

OVERVIEW OF RESULTS FOR ANNOUNCEMENT TO THE MARKET

| Consolidated Entity | Dec 2020 \$ | Dec 2019 \$ | % Change | Up/ Down |
|---|------------------|------------------|-------------|-------------|
| Total revenues | 104,533 | 24,461 | 327% | Up |
| Net gain on financial assets | 950,000 | - | N/A | N/A |
| Share of Associate entity's net profit/(loss) | 1,269,664 | (277,193) | 558% | Profits Up |
| Expenses: | | | | |
| Personnel expenses | (210,652) | (213,847) | 1% | Down |
| Corporate expenses | (12,731) | (22,508) | 43% | Down |
| Other expenses | (30,567) | (61,362) | 50% | Down |
| Profit/(Loss) before tax | 2,070,247 | (550,449) | 476% | Profits Up |
| Income tax expense | - | - | N/A | N/A |
| Profit/(Loss) attributable to members of the Company | 2,070,247 | (550,449) | 476% | Profits Up |
| Basic and diluted earnings/(loss) per share (cents) | 13.23 | (3.52) | 476% | Earnings Up |

| Consolidated Entity | Dec 2020 \$ | Jun 2020 \$ | % Change | Up/ Down |
|--------------------------------|----------------|----------------|-------------|-------------|
| Pre-tax NTA backing per share | 0.25 | 0.11 | 117% | Up |
| Post-tax NTA backing per share | 0.25 | 0.11 | 117% | Up |

BRIEF EXPLANATION OF RESULTS

Orion's \$2.07 million net profit for the half year is principally attributable to:

- \$0.95 million unrealised gains from its investment in Strike Resources Limited (ASX:SRK), which appreciated in price from 4.5 to 14 cents per share during the half year; and
- \$1.27 million recognised as a share of an Associate entity's net profit – this relates to Orion's investment in Bentley Capital Limited (ASX:BEL); Bentley generated a net profit of \$4.71 million for the half year.

Orion accounts for Bentley as an Associate entity, which means that Orion is required to recognise a share of Bentley's net gain or loss in respect of a financial period based on Orion's (26.95% as at 31 December 2020 and 30 June 2020) shareholding interest in Bentley (this is known as the equity method of accounting for an associate entity).

The share price of Strike has increased significantly since the 31 December 2020 balance date, from 14 cents to a last bid price of 19.5 cents (on 25 February 2021). This translates to an unrealised net gain of \$0.55 million (in respect of the 10,000,000 Strike shares held by Orion) post-balance date, which is equivalent to 3.5 cents (pre and post-tax) per Orion share (based on Orion's issued capital of 15,649,228 shares).

APPENDIX 4D HALF YEAR REPORT

Orion notes that Associate entity, Bentley is also a major shareholder in Strike. The increase in Strike's share price (as above) translates to an unrealised net gain of \$2.89 million (in respect of the 52,553,493 Strike shares held by Bentley) post-balance date, which is equivalent to 3.8 cents (pre and post-tax) per Bentley share (based on Bentley's issued capital of 76,127,918 shares).

The share price of Bentley has also increased since the balance date, from 6.7 cents to a last bid price of 7.4 cents (on 25 February 2021). Based on Orion's 20,513,783 shareholding in Bentley, this represents an appreciation in market value from \$ 1.37 million to \$1.52 million post-balance date.

Further information is outlined in Bentley's 31 December 2020 Half Year Report.

Please refer to the Directors' Report and Financial Report for further information on a review of Orion's operations and the financial position and performance of Orion for the financial half year ended 31 December 2020.

Notwithstanding the accounting value of Orion's investments as outlined herein, it is noted that the market value of these share investments are as follows:

| Investment | Shareholding | ASX Market Value ¹ | |
|------------------------------------|--------------|-------------------------------|--------------------|
| | | 31 December 2020 | 30 June 2020 |
| Bentley Capital Limited (ASX:BEL) | 20,513,783 | \$1,374,423 | \$717,982 |
| Strike Resources Limited (ASX:SRK) | 10,000,000 | \$1,400,000 | \$450,000 |
| | Total | \$2,774,423 | \$1,167,982 |

DIVIDEND

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2020.

ASSOCIATE ENTITY

The Company has accounted for the following share investment at the Balance Date as an investment in an Associate entity (on an equity accounting basis):

- (1) 26.95% interest (20,513,783 shares) in Bentley Capital Limited (ASX:BEL) (30 June 2020: 26.95%; 20,513,783 shares).

CONTROLLED ENTITIES

During the half year, the Company voluntarily de-registered the following wholly-owned subsidiaries:

- (a) Margaret River Wine Corporation Pty Ltd ACN 094 706 500, with effect on 7 September 2020;
- (b) Margaret River Olive Oil Pty Ltd ACN 094 706 519, with effect on 7 September 2020; and
- (c) Koorian Olives Pty Ltd ACN 120 616 891, with effect on 14 September 2020.

For and on behalf of the Directors,



Victor Ho
Executive Director and Company Secretary
Telephone: (08) 9214 9797

Date: 26 February 2021

Email: cosec@orionequities.com.au

¹ Based on closing bid price on ASX

DIRECTORS' REPORT

The Directors present their report on Orion Equities Limited ABN 77 000 742 843 (**OEQ** or the **Company**) and its controlled entities (**Orion** or the **Consolidated Entity**) for the financial half year ended 31 December 2020 (**Balance Date**).

Orion Equities Limited is a public company limited by shares that was incorporated in New South Wales and has been listed on the Australian Securities Exchange (**ASX**) since November 1970 (ASX Code: OEQ).

PRINCIPAL ACTIVITIES

OEQ is a listed investment company (**LIC**).

NET TANGIBLE ASSET BACKING (NTA)

| | Dec 2020 | Jun 2020 |
|--|--------------|--------------|
| Consolidated Entity | \$ | \$ |
| Net tangible assets (before tax) | 3,843,524 | 1,773,277 |
| Pre-Tax NTA Backing per share | 0.246 | 0.113 |
| Less deferred tax assets and tax liabilities | - | - |
| Net tangible assets (after tax) | 3,843,524 | 1,773,277 |
| Pre-Tax NTA Backing per share | 0.246 | 0.113 |
| Value of dividend paid in previous 6 months | - | - |
| Based on total issued share capital | 15,649,228 | 15,649,228 |

FINANCIAL POSITION

| | Dec 2020 | Jun 2020 |
|--|------------------|------------------|
| Consolidated Entity | \$ | \$ |
| Cash and cash equivalents | 244,313 | 294,408 |
| Financial assets at fair value through profit and loss | 1,400,000 | 450,000 |
| Investment in Associate entity (BEL) | 1,439,505 | 169,841 |
| Property held for development or resale | 1,100,000 | 1,100,000 |
| Receivables | 45,223 | 90,130 |
| Other assets | 3,058 | 3,263 |
| Deferred tax asset | - | - |
| Total Assets | 4,232,099 | 2,107,642 |
| Other payables and liabilities | (388,575) | (334,365) |
| Deferred tax liability | - | - |
| Net Assets | 3,843,524 | 1,773,277 |
| Issued capital | 18,808,028 | 18,808,028 |
| Profits Reserve | 4,055,786 | 2,599,373 |
| Accumulated losses | (19,020,290) | (19,634,124) |
| Total Equity | 3,843,524 | 1,773,277 |

DIRECTORS' REPORT

OPERATING RESULTS

| Consolidated Entity | Dec 2020 | Dec 2019 |
|---|------------------|------------------|
| | \$ | \$ |
| Total revenues | 104,533 | 24,461 |
| Net gain on financial assets | 950,000 | - |
| Share of Associate entity's profit/(loss) | 1,269,664 | (277,193) |
| Other Expenses | | |
| Personnel expenses | (210,652) | (213,847) |
| Corporate expenses | (12,731) | (22,508) |
| Other expenses | (30,567) | (61,362) |
| Profit/(Loss) before tax | 2,070,247 | (550,449) |
| Income tax expense | - | - |
| Profit/(Loss) attributable to members of the Company | 2,070,247 | (550,449) |

Orion's \$2.07 million net profit for the half year is principally attributable to:

- \$0.95 million unrealised gains from its investment in Strike Resources Limited (ASX:SRK), which appreciated in price from 4.5 to 14 cents per share during the half year; and
- \$1.27 million recognised as a share of an Associate entity's net profit – this relates to Orion's investment in Bentley Capital Limited (ASX:BEL); Bentley generated a net profit of \$4.71 million for the half year.

Orion accounts for Bentley as an Associate entity, which means that Orion is required to recognise a share of Bentley's net gain or loss in respect of a financial period based on Orion's (26.95% as at 31 December 2020 and 30 June 2020) shareholding interest in Bentley (this is known as the equity method of accounting for an associate entity).

The share price of Strike has increased significantly since the 31 December 2020 balance date, from 14 cents to a last bid price of 19.5 cents (on 25 February 2021). This translates to an unrealised net gain of \$0.55 million (in respect of the 10,000,000 Strike shares held by Orion) post-balance date, which is equivalent to 3.5 cents (pre and post-tax) per Orion share (based on Orion's issued capital of 15,649,228 shares).

Orion notes that Associate entity, Bentley is also a major shareholder in Strike. The increase in Strike's share price (as above) translates to an unrealised net gain of \$2.89 million (in respect of the 52,553,493 Strike shares held by Bentley) post-balance date, which is equivalent to 3.8 cents (pre and post-tax) per Bentley share (based on Bentley's issued capital of 76,127,918 shares).

The share price of Bentley has also increased since the balance date, from 6.7 cents to a last bid price of 7.4 cents (on 25 February 2021). Based on Orion's 20,513,783 shareholding in Bentley, this represents an appreciation in market value from \$ 1.37 million to \$1.52 million post-balance date.

EARNINGS PER SHARE

| Consolidated Entity | Dec 2020 | Dec 2019 |
|--|-----------------|-----------------|
| Basic and diluted earnings/(loss) per share (cents) | 13.23 | (3.52) |
| Weighted average number of ordinary shares outstanding during the half year used in the calculation of basic and diluted earnings/(loss) per share | 15,649,228 | 15,649,228 |

DIRECTORS' REPORT

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2020

As at 31 December 2020, the Company had:

- \$4.06 million in its Profits Reserve account, which is available to fund the payment of dividends to shareholders in the future; and
- \$3.09 million Franking Credits, which is sufficient to fund the payment of fully franked (at Orion's applicable 27.5% company tax rate) dividends totalling \$8.15 million (subject to Orion's capacity to declare and pay such dividends).

CAPITAL MANAGEMENT

(a) Securities in The Company

At the Balance Date, the Company had 15,649,228 shares on issue (30 June 2020: 15,649,228).

All such shares are listed on ASX. The Company does not have other securities on issue.

(b) Voluntary Winding Up Resolution at 2020 Annual General Meeting (AGM)

At the Company's 2020 AGM² held on 19 November 2020³, shareholders did not approve a special resolution⁴ for the voluntary winding up of the Company.

The resolution was proposed as a consequence of a "triggering" of the Company's voluntary winding up mechanism under Clause 164A of the Company's Constitution.

Further details in relation to the 'Voluntary Winding Up Trigger' is in the Company's Notice of 2013 AGM and Explanatory Statement dated 23 October 2013.

The Company also refers to the Notice of 2020 AGM and Explanatory Statement dated 19 October 2020 for further details in relation to this voluntary winding up special resolution.

2 Refer Orion's Notice of AGM and Explanatory Statement dated and released on ASX on 19 October 2020

3 Refer Orion's ASX Announcement dated 19 November 2020: Results of 2020 Annual General Meeting

4 A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution and present in person, by proxy, by attorney or by authorised representatives at the general meeting.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

(a) Portfolio Details as at 31 December 2020

Asset Weighting

| Consolidated Entity | % of Net Assets | |
|--|-----------------|-------------|
| | Dec 2020 | Jun 2020 |
| Australian equities | 74% | 35% |
| Property held for development and resale | 29% | 62% |
| Net tax liabilities (current year and deferred tax assets/liabilities) | - | - |
| Net cash/other assets and provisions | (3)% | 3% |
| TOTAL | 100% | 100% |

Major Holdings in Securities Portfolio

| Security | Carrying Value | % of Net Assets | ASX Code | Industry Sector Exposures |
|--------------------------|--------------------|-----------------|----------|---------------------------|
| Bentley Capital Limited | \$1,439,505 | 38% | BEL | Diversified Financials |
| Strike Resources Limited | \$1,400,000 | 36% | SRK | Materials |
| TOTAL | \$2,839,505 | 74% | | |

(b) Bentley Capital Limited (ASX: BEL)

As at 31 December 2020 and currently, Orion holds 20,513,783 Bentley shares (26.95%) (30 June 2020: 20,513,783 shares (26.95%)).

Bentley Capital Limited (**Bentley**) is a listed investment company with a current exposure to Australian equities.

Shareholders are advised to refer to Bentley's 31 December 2020 Half Year Report, 30 June 2020 Annual Report and monthly NTA disclosures for further information about the status and affairs of the company.

Information concerning Bentley may be viewed from its website: www.bel.com.au

Bentley's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "BEL".

(c) Strike Resources Limited (ASX: SRK)

As at 31 December 2020 and currently, Orion holds 10,000,000 Strike shares (4.05%) (30 June 2020: 10,000,000 shares; 4.83%) while Associate entity, Bentley, holds 52,553,493 Strike shares (21.27%⁵) (30 June 2020: 52,553,493 shares; 25.37%). Therefore, Orion has a deemed relevant interest in 62,553,493 Strike shares (25.31%⁶).

On 1 December 2020, Strike raised \$4 million through a placement of 40,000,000 shares. Accordingly, Orion's interest in Strike has diluted to 4.05% and Bentley's interest in Strike has diluted to 21.27% during the half year.

⁵ Refer Bentley's ASX Announcement dated 1 December 2020: Change in Substantial Holding in SRK

⁶ Refer Orion's ASX Announcement dated 1 December 2020: Change of Substantial Shareholder Notice in SRK

DIRECTORS' REPORT

Strike Resources Limited is an ASX listed resource company which is developing the Paulsens East Iron Ore Project (Strike 100%) located in the Pilbara, Western Australia. Strike is also developing the Apurimac Magnetite Iron Ore Project (Strike 100%) in Peru and a number of battery minerals related projects around the world - the Solaroz Lithium Brine Project (Strike 90%) in Argentina and the Burke Graphite Project (Strike ~76%) in Queensland.

Orion is also entitled to receive a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the Paulsens East Iron Ore Project tenement (Mining Lease M47/1583) owned by Strike. This royalty entitlement stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.⁷

Further information about Strike's current projects and activities are contained in their ASX releases, including as follows:

- 1 February 2021: December 2020 Quarterly Reports; and
- 2 November 2020 Annual Report.

Information concerning Strike may be viewed from its website: www.strikeresources.com.au.

Strike's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX: "SRK".

(d) Other Assets

Orion also owns a property held for redevelopment or sale (currently rented out) located in Mandurah, Western Australia.

BOARD OF DIRECTORS

Information concerning Directors in office during or since the half year is as follows:

| Farooq Khan | Executive Chairman |
|------------------------------------|---|
| <i>Appointed</i> | 23 October 2006 |
| <i>Qualifications</i> | BJuris, LLB (Western Australia) |
| <i>Experience</i> | Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sectors. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments. |
| <i>Relevant interest in shares</i> | 2,000 shares – directly ⁸ |
| <i>Special Responsibilities</i> | Chairman of the Board and the Investment Committee |

⁷ For further information, please refer to the following ASX Announcements: Orion's announcement dated 23 September 2005: CXL Retains a 25% Free Carried Interest in NT Uranium Tenements and Strike's announcement dated 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects

⁸ Refer to Orion's ASX announcement dated 20 November 2014: Change in Directors Interest Notice

DIRECTORS' REPORT

| Farooq Khan | Executive Chairman |
|--|--|
| <i>Other current directorships in listed entities</i> | (1) Executive Chairman and Managing Director of Queste Communications Ltd (ASX:QUE) (since 10 March 1998) (2) Executive Chairman of Bentley Capital Limited (ASX:BEL) (director since 2 December 2003) (3) Chairman (appointed 18 December 2015) of Strike Resources Limited (ASX:SRK) (Director since 1 October 2015) |
| <i>Former directorships in other listed entities in past 3 years</i> | Alternate Director of Keybridge Capital Limited (ASX:KBC) (26 June to 18 July 2019) |

| Victor P. H. Ho | Executive Director and Company Secretary |
|--|--|
| <i>Appointed</i> | Executive Director since 4 July 2003; Company Secretary since 2 August 2000 |
| <i>Qualifications</i> | BCom, LLB (Western Australia), CTA |
| <i>Experience</i> | Mr Ho Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 21 years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America (Peru, Chile and Argentina), Indonesia and the Middle East (Kingdom of Saudi Arabia and Oman) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and ASX compliance and investor/shareholder relations. |
| <i>Relevant interest in shares</i> | None |
| <i>Special Responsibilities</i> | Member of Investment Committee |
| <i>Other positions held in listed entities</i> | (1) Executive Director and Company Secretary of Queste Communications Ltd (ASX:QUE) (Director since 3 April 2013; Company Secretary since 30 August 2000) (2) Company Secretary of Bentley Capital Limited (ASX:BEL) (since 5 February 2004) (3) Director and Company Secretary of Strike Resources Limited (ASX:SRK) (Director since 24 January 2014 and Company Secretary since 1 October 2015) |
| <i>Former directorships in other listed entities in past 3 years</i> | Company Secretary of Keybridge Capital Limited (ASX:KBC) (13 October 2016 to 13 October 2019) |

DIRECTORS' REPORT

| Yaqoob Khan | Non-Executive Director |
|--|--|
| <i>Appointed</i> | 5 November 1999 |
| <i>Qualifications</i> | BCom (Western Australia), Master of Science in Industrial Administration (Carnegie Mellon) |
| <i>Experience</i> | Mr Khan holds a Masters degree in Business and has worked as a senior executive responsible for product marketing, costing systems and production management. Mr Khan has been involved in the structuring and ASX listing of a number of public companies and in subsequent executive management. Mr Khan brings considerable international experience in corporate finance and the strategic analysis of listed investments. |
| <i>Relevant interest in shares</i> | None |
| <i>Special Responsibilities</i> | None |
| <i>Other current directorships in listed entities</i> | Non-Executive Director of Queste Communications Ltd (ASX:QUE) (since 10 March 1998) |
| <i>Former directorships in other listed entities in past 3 years</i> | None |

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* forms part of this Directors Report and is set out on page 11. This relates to the Auditor's Independent Review Report, where the Auditor states that they have issued an independence declaration.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,



Farooq Khan
Chairman



Victor Ho
Executive Director and Company Secretary

26 February 2021



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Phone (08) 9486 7094 www.rothsayresources.com.au

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

As lead auditor of the review of Orion Equities Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Orion Equities Limited and the entities it controlled during the half-year.

Rothsay Auditing

A handwritten signature in black ink, appearing to read 'Dalla', written over a light blue horizontal line.

Daniel Dalla
Partner

26 February 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2020

| | Note | 31 Dec 20 \$ | 31 Dec 19 \$ |
|---|----------|------------------|------------------|
| Revenue | 2 | 25,467 | 24,461 |
| Other | | | |
| Share of Associate entity's net profit | | 1,269,664 | - |
| Net gain on financial assets at fair value through profit or loss | | 950,000 | - |
| Other | | 79,066 | - |
| TOTAL REVENUE AND INCOME | | 2,324,197 | 24,461 |
| EXPENSES | 3 | | |
| Share of Associate entity's net loss | | - | (277,193) |
| Land operation expenses | | (6,469) | (11,929) |
| Personnel expenses | | (210,652) | (213,847) |
| Occupancy expenses | | (7,937) | (13,526) |
| Corporate expenses | | (12,731) | (22,508) |
| Communication expenses | | (1,677) | (1,161) |
| Finance expenses | | (81) | (186) |
| Administration expenses | | (14,403) | (34,560) |
| PROFIT/(LOSS) BEFORE TAX | | 2,070,247 | (550,449) |
| Income tax benefit | | - | - |
| PROFIT/(LOSS) AFTER INCOME TAX | | 2,070,247 | (550,449) |
| OTHER COMPREHENSIVE INCOME | | | |
| Other comprehensive income, after tax | | - | - |
| TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE HALF YEAR | | 2,070,247 | (550,449) |
| EARNINGS/(LOSS) PER SHARE FOR THE PROFIT/(LOSS) ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY | | | |
| Basic and diluted earnings/(loss) per share (cents) | 5 | 13.23 | (3.52) |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

| | Note | 31 Dec 20 | 30 Jun 20 |
|---|------|------------------|------------------|
| | | \$ | \$ |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 244,313 | 294,408 |
| Financial assets at fair value through profit or loss | 6 | 1,400,000 | 450,000 |
| Loan to controlling entity | | 45,223 | 90,130 |
| TOTAL CURRENT ASSETS | | 1,689,536 | 834,538 |
| NON-CURRENT ASSETS | | | |
| Property held for development or resale | 8 | 1,100,000 | 1,100,000 |
| Investment in Associate entity | 9 | 1,439,505 | 169,841 |
| Property, plant and equipment | | 3,058 | 3,263 |
| TOTAL NON-CURRENT ASSETS | | 2,542,563 | 1,273,104 |
| TOTAL ASSETS | | 4,232,099 | 2,107,642 |
| CURRENT LIABILITIES | | | |
| Payables | | 295,458 | 255,609 |
| Provisions | | 93,117 | 78,756 |
| TOTAL CURRENT LIABILITIES | | 388,575 | 334,365 |
| TOTAL LIABILITIES | | 388,575 | 334,365 |
| NET ASSETS | | 3,843,524 | 1,773,277 |
| EQUITY | | | |
| Issued capital | | 18,808,028 | 18,808,028 |
| Profits reserve | | 4,055,786 | 2,599,373 |
| Accumulated losses | | (19,020,290) | (19,634,124) |
| TOTAL EQUITY | | 3,843,524 | 1,773,277 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2020

| | Issued Capital | Reserves | Accumulated Losses | Total |
|--|-------------------|------------------|-----------------------|------------------|
| | \$ | \$ | \$ | \$ |
| BALANCE AT 1 JULY 2019 | 18,808,028 | 2,624,527 | (18,869,139) | 2,563,416 |
| Loss for the half year | - | - | (550,449) | (550,449) |
| Other comprehensive income | - | - | - | - |
| Total comprehensive loss for the half year | - | - | (550,449) | (550,449) |
| BALANCE AT 31 DECEMBER 2019 | 18,808,028 | 2,624,527 | (19,419,588) | 2,012,967 |
| BALANCE AT 1 JULY 2020 | 18,808,028 | 2,599,373 | (19,634,124) | 1,773,277 |
| Profit for the half year | - | - | 2,070,247 | 2,070,247 |
| Profits reserve transfer | - | 1,456,413 | (1,456,413) | - |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income/(loss) for the half year | - | 1,456,413 | 613,834 | 2,070,247 |
| BALANCE AT 31 DECEMBER 2020 | 18,808,028 | 4,055,786 | (19,020,290) | 3,843,524 |

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2020

| | 31 Dec 20 | 31 Dec 19 |
|--|-----------------|------------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | 21,992 | 21,992 |
| Dividends received | - | 1,087 |
| Other receipts | 79,066 | 1,990 |
| Interest received | 78 | (431,677) |
| Payments to suppliers and employees | (199,186) | - |
| NET CASH USED IN OPERATING ACTIVITIES | (98,050) | (406,608) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of plant and equipment | (349) | - |
| NET CASH USED IN INVESTING ACTIVITIES | (349) | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Loan to controlling entity | - | (50,000) |
| Loan repayment from controlling entity | 48,304 | - |
| NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES | 48,304 | (50,000) |
| NET INCREASE/(DECREASE) IN CASH HELD | (50,095) | (456,608) |
| Cash and cash equivalents at beginning of financial half year | 294,408 | 814,067 |
| CASH AND CASH EQUIVALENTS AT END OF FINANCIAL HALF YEAR | 244,313 | 357,459 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2020 to the date of this report.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2020.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted. These are not expected to have a material impact on the Consolidated Entity's financial statements.

2. REVENUE

| | 31 Dec 20 | 31 Dec 19 |
|---|-------------------------|----------------------|
| | \$ | \$ |
| The consolidated profit/(loss) before income tax includes the following items of revenue: | | |
| Revenue | | |
| Rental revenue | 21,992 | 21,992 |
| Interest revenue | 3,475 | 2,469 |
| | <u>25,467</u> | <u>24,461</u> |
| Other | | |
| Share of Associate entity's net profit | 1,269,664 | - |
| Net gain on financial assets at fair value through profit or loss | 950,000 | - |
| Other income | 79,066 | - |
| | <u><u>2,324,197</u></u> | <u><u>24,461</u></u> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

3. EXPENSES

| | 31 Dec 20 | 31 Dec 19 |
|--|----------------|----------------|
| | \$ | \$ |
| The consolidated profit/(loss) before income tax includes the following items of expenses: | | |
| Share of Associate entity's net loss | - | 277,193 |
| Land operations | 6,469 | 11,929 |
| Salaries, fees and employee benefits | 210,652 | 213,847 |
| Occupancy expenses | 7,937 | 13,526 |
| Finance expenses | 81 | 186 |
| Communication expenses | 1,677 | 1,161 |
| Corporate expenses | | |
| ASX and CHES fees | 9,515 | 17,732 |
| ASIC fees | 757 | 1,335 |
| Share registry | 1,817 | 872 |
| Other corporate expenses | 642 | 2,569 |
| Administration expenses | | |
| Professional and legal fees | 2,255 | 1,279 |
| Depreciation | 554 | 990 |
| Other administration expenses | 11,594 | 32,291 |
| | 253,950 | 574,910 |

4. SEGMENT INFORMATION

| | Investments | Corporate | Total |
|---|------------------|------------------|------------------|
| | \$ | \$ | \$ |
| 31 Dec 20 | | | |
| Segment revenues | | | |
| Revenue | 21,992 | - | 21,992 |
| Other | 2,219,664 | 82,541 | 2,302,205 |
| Total segment revenues | 2,241,656 | 82,541 | 2,324,197 |
| Personnel expenses | - | 210,652 | 210,652 |
| Finance expenses | - | 81 | 81 |
| Administration expenses | - | 13,849 | 13,849 |
| Depreciation expense | - | 554 | 554 |
| Other expenses | 6,469 | 22,345 | 28,814 |
| Total segment profit/(loss) | 2,235,187 | (164,940) | 2,070,247 |
| Segment assets | | | |
| Cash and cash equivalents | - | 244,313 | 244,313 |
| Financial assets | 1,400,000 | - | 1,400,000 |
| Property held for development or resale | 1,100,000 | - | 1,100,000 |
| Investment in Associate entity | 1,439,505 | - | 1,439,505 |
| Property, plant and equipment | - | 3,058 | 3,058 |
| Other assets | - | 45,223 | 45,223 |
| Total segment assets | 3,939,505 | 292,594 | 4,232,099 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

| 4. SEGMENT INFORMATION (continued) | Investments | Corporate | Total |
|---|-------------------------|------------------|------------------|
| | \$ | \$ | \$ |
| 31 Dec 19 | | | |
| Segment revenues | | | |
| Revenue | 21,992 | - | 21,992 |
| Other | - | 2,469 | 2,469 |
| Total segment revenues | 21,992 | 2,469 | 24,461 |
| Personnel expenses | - | 213,847 | 213,847 |
| Finance expenses | - | 186 | 186 |
| Administration expenses | - | 34,561 | 34,561 |
| Depreciation expense | - | 990 | 990 |
| Other expenses | 287,755 | 37,571 | 325,326 |
| Total segment profit/(loss) | (265,763) | (284,686) | (550,449) |
| 30 Jun 20 | | | |
| Segment assets | | | |
| Cash and cash equivalents | - | 294,408 | 294,408 |
| Financial assets | 450,000 | - | 450,000 |
| Property held for development or resale | 1,100,000 | - | 1,100,000 |
| Investment in Associate entity | 169,841 | - | 169,841 |
| Property, plant and equipment | - | 3,263 | 3,263 |
| Other assets | - | 90,130 | 90,130 |
| Total segment assets | 1,719,841 | 387,801 | 2,107,642 |
| 5. EARNINGS/(LOSS) PER SHARE | | | |
| | 31 Dec 20 | 31 Dec 19 | |
| Basic and diluted earnings/(loss) per share (cents) | 13.23 | (3.52) | |
| The following represents the profit/(loss) and weighted average number of shares used in the earnings/(loss) per share calculations: | | | |
| Net loss after income tax (\$) | 2,070,247 | (550,449) | |
| | Number of Shares | | |
| Weighted average number of ordinary shares | 15,649,228 | 15,649,228 | |
| The Consolidated Entity has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic loss per share. | | | |
| 6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | | |
| | 31 Dec 20 | 30 Jun 20 | |
| | \$ | \$ | |
| Listed securities at fair value | 1,400,000 | 450,000 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

7. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair Value Hierarchy

AASB 13 (Fair Value Measurement) requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| | Level 1 | Level 2 | Level 3 | Total |
|--|------------------|---------|---------|------------------|
| | \$ | \$ | \$ | \$ |
| Financial assets at fair value through profit or loss: | | | | |
| Listed securities at fair value | | | | |
| 31 Dec 20 | 1,400,000 | - | - | 1,400,000 |
| 30 Jun 20 | 450,000 | - | - | 450,000 |

There have been no transfers between the levels of the fair value hierarchy during the financial half year.

(a) Valuation techniques

The fair value of the listed securities traded in active markets is based on closing bid prices at the end of the reporting period. These investments are included in Level 1.

The fair value of any assets that are not traded in an active market are determined using certain valuation techniques. The valuation techniques maximise the use of observable market data where it is available, or independent valuation and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

| (b) Fair values of other financial assets and liabilities | 31 Dec 20 | 30 Jun 20 |
|---|-----------------|---------------|
| | \$ | \$ |
| Cash and cash equivalents | 244,313 | 294,408 |
| Payables | (295,458) | (255,609) |
| | (51,145) | 38,799 |

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

| 8. PROPERTY HELD FOR RESALE | 31 Dec 20 | 30 Jun 20 |
|-----------------------------|------------------|------------------|
| | \$ | \$ |
| Property held for resale | 3,797,339 | 3,797,339 |
| Impairment of property | (2,697,339) | (2,697,339) |
| | 1,100,000 | 1,100,000 |

Critical accounting judgement and estimate

The carrying value of Property held for resale is based on the Directors' judgement, having regard to the most recent independent valuation report dated 29 July 2019 and an assessment of current pertinent real estate market conditions. The Directors are of the view that the property is not impaired as at balance date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

| 9. INVESTMENT IN ASSOCIATE ENTITY | Ownership Interest | | 31 Dec 20 | 30 Jun 20 |
|--|--------------------|-----------|-------------------|--------------------|
| | 31 Dec 20 | 30 Jun 20 | \$ | \$ |
| Bentley Capital Limited (ASX:BEL) | 26.95% | 26.95% | 1,439,505 | 169,841 |
| Movements in carrying amounts | | | | |
| Opening balance | | | 169,841 | 477,719 |
| Share of net profit/(loss) after tax | | | 1,269,664 | (307,878) |
| Dividend received | | | - | - |
| Closing balance | | | 1,439,505 | 169,841 |
| Fair value (at market price on ASX) of investment in Associate entity | | | 1,374,423 | 717,982 |
| Net asset value of investment | | | 2,673,130 | 1,403,467 |
| Summarised statement of profit or loss and other comprehensive income | | | | |
| Revenue | | | 5,167,603 | 296,380 |
| Expenses | | | (455,803) | (2,754,789) |
| Profit/(Loss) before income tax | | | 4,711,800 | (2,458,409) |
| Income tax expense | | | - | - |
| Profit/(Loss) after income tax | | | 4,711,800 | (2,458,409) |
| Other comprehensive income | | | - | - |
| Total comprehensive income | | | 4,711,800 | (2,458,409) |
| Summarised statement of financial position | | | | |
| Current assets | | | 10,428,310 | 6,694,371 |
| Non-current assets | | | 4,420 | 22,364 |
| Total assets | | | 10,432,730 | 6,716,735 |
| Current liabilities | | | 512,578 | 363,900 |
| Total liabilities | | | 512,578 | 363,900 |
| Net assets | | | 9,920,152 | 6,352,835 |

10. RELATED PARTY TRANSACTIONS

(a) Loan to Controlling Entity

Queste Communications Ltd (ASX : QUE) is deemed to have control of the Consolidated Entity as it holds 59.86% (9,367,653 shares) (30 Jun 2020: 59.86% and 9,367,653 shares) of the Company's total issued share capital.

The Company and QUE have entered into a Loan Agreement for the Company to advance up to \$200,000 to QUE. The loan is unsecured and matures on 31 December 2021 (unless extended by agreement of the parties) and accrues interest at 10% pa in respect of the first \$150,000 advanced, and 7.5% pa in respect of \$50,000 advanced thereafter. During the half year, the Company received \$48,304 repayments from QUE and earned interest income of \$3,397. The outstanding loan balance as at Balance Date is \$45,223 (principal and accrued interest).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2020

10. RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with key management personnel

At Balance Date, the Company owes the Directors an aggregate \$187,813 in unpaid salaries (net of PAYG withholding tax remitted to the ATO) (30 Jun 2020: \$115,431).

During the half year, the Consolidated Entity generated \$21,992 rental income from a family member of Director, Farooq Khan, pursuant to a standard form residential tenancy agreement in respect of the Property Held for Resale (31 Dec 2019: \$21,992).

11. CONTINGENCIES

(a) Directors' Deeds

The Company has entered into Deeds of Indemnity with each of its Directors indemnifying them against liability incurred in discharging their duties as Directors/Officers of the Consolidated Entity. At the end of the financial period, no claims have been made under any such indemnities and accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.

(b) Tenement Royalty

The Consolidated Entity is entitled to receive a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the Paulsens East Iron Ore Project tenement (Mining Lease M47/1583) in Western Australia currently owned by Strike Resources Limited (ASX:SRK). This royalty entitlement stems from the Consolidated Entity's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.

12. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) The share price of Strike Resources Limited (ASX:SRK) has increased significantly since the balance date, from 14 cents to a last bid price of 19.5 cents (on 25 February 2021). This translates to an unrealised net gain of \$0.55 million (in respect of the 10,000,000 Strike shares held by the Company) post-balance date, which is equivalent to 3.5 cents (pre and post tax) per Orion share (based on Orion's issued capital of 15,649,228 shares).

The Consolidated Entity notes that Associate entity, Bentley Capital Limited (ASX:BEL) is a major shareholder in Strike. The increase in Strike's share price translates to an unrealised net gain of \$2.89 million (in respect of the 52,553,493 Strike shares held by Bentley) post-balance date, which is equivalent to 3.8 cents (pre and post tax) per Bentley share (based on Bentley's issued capital of 76,127,918 shares).

The share price of Bentley has also increased since the balance date, from 6.7 cents to a last bid price of 7.4 cents (on 25 February 2021). Based on Orion's 20,513,783 shareholding in Bentley, this represents an appreciation in market value from \$1.37 million to \$1.52 million post-balance date.

No other matters or circumstance has arisen since the end of the financial half year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Orion Equities Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001*, we state that:

In the opinion of the Directors:

- (1) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the financial half year ended on that date; and
 - (b) complying with Accounting Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (2) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman



Victor Ho
Executive Director and Company Secretary

26 February 2021



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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
ORION EQUITIES LIMITED**

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Orion Equities Limited ("the Company"), and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor's review report.





Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Rothsay Auditing

Dated 26 February 2021

**Daniel Dalla
Partner**

SECURITIES INFORMATION

as at 31 December 2020

DISTRIBUTION OF FULLY PAID ORDINARY SHARES

| Spread | of | Holdings | Number of Holders | Number of Shares | % of Total Issue Capital |
|--------------|----|----------|-------------------|-------------------|--------------------------|
| 1 | - | 1,000 | 27 | 10,092 | 0.064% |
| 1,001 | - | 5,000 | 60 | 211,898 | 1.354% |
| 5,001 | - | 10,000 | 41 | 312,301 | 1.996% |
| 10,001 | - | 100,000 | 54 | 1,618,022 | 10.339% |
| 100,001 | - | and over | 14 | 13,496,915 | 86.247% |
| Total | | | 196 | 15,649,228 | 100.00% |

UNMARKETABLE PARCELS

| Spread | of | Holdings | Number of Holders | Number of Shares | % of Total Issued Capital |
|--------------|----|----------|-------------------|-------------------|---------------------------|
| 1 | - | 3,999 | 53 | 71,284 | 0.456% |
| 3,999 | - | over | 143 | 15,577,944 | 99.544% |
| Total | | | 196 | 15,649,228 | 100.00% |

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 3,999 shares or less, being a value of \$500 or less in total, based upon the Company's last sale price on ASX as at 31 December 2020 of \$0.125 per share.

SUBSTANTIAL SHAREHOLDERS

| Substantial Shareholders | Registered Shareholder | Total Number of Shares Held | % Voting Power |
|--|---|------------------------------|-----------------------|
| Queste Communications Ltd (ASX:QUE) | QUE | 9,367,653 | 59.86% ⁽¹⁾ |
| Mr Azhar Chaudhri, Renmuir Holdings Limited and Chi Tung Investments Ltd | QUE Chi Tung Investments Ltd Renmuir Holdings Limited | 9,367,653 50,475 4,754 | 60.21% ⁽²⁾ |
| Geoff Wilson, Dynasty Peak Pty Limited and GW Holdings Pty Limited | Dynasty Peak Pty Limited | 923,038 | 5.90% ⁽³⁾ |

Notes:

- (1) Based on the change of substantial shareholding notice filed by QUE dated 28 September 2015 (updated to reflect current percentage voting power)
- (2) Based on the change of substantial shareholding notice filed by Azhar Chaudhri, Renmuir Holdings Limited and Chi Tung Investments Ltd dated 28 September 2015 (updated to reflect current percentage voting power)
- (3) Based on the initial substantial shareholding notice filed by Geoff Wilson dated 28 February 2018

SECURITIES INFORMATION

as at 31 December 2020

TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

| RANK | SHAREHOLDER | TOTAL SHARES | % ISSUED CAPITAL |
|------|---|-------------------|------------------|
| 1 | QUESTE COMMUNICATIONS LTD | 9,367,653 | 59.86% |
| 2 | DYNASTY PEAK PTY LIMITED | 923,038 | 5.90% |
| 3 | MR COLIN JOHN VAUGHAN & MRS ROBIN VAUGHAN | 777,566 | 4.97% |
| 4 | DR STEVEN G RODWELL | 525,129 | 3.36% |
| 5 | ACN 139 886 025 PTY LTD | 288,464 | 1.84% |
| 6 | MR JOHN STEPHEN CALVERT | 260,732 | 1.67% |
| 7 | REDSUMMER PTY LTD | 225,000 | 1.44% |
| 8 | MS HOON CHOO TAN | 197,538 | 1.26% |
| 9 | MR BRUCE SIEMON | 192,351 | 1.23% |
| 10 | MRS PENELOPE MARGARET SIEMON | 191,355 | 1.22% |
| 11 | MRS JANET BACKHOUSE | 188,000 | 1.20% |
| 12 | BNP PARIBAS NOMINEES PTY LTD | 136,363 | 0.87% |
| 13 | MR ANTHONY NEALE KILLER & MRS SANDRA MARIE KILLER | 120,000 | 0.77% |
| 14 | MR JOHN CHENG-HSIANG YANG & MS PEGA PING PING MOK | 103,726 | 0.66% |
| 15 | MRS CAROLINE ANN PICKERING | 100,000 | 0.64% |
| 16 | MS MORAG HELEN BARRETT | 94,013 | 0.60% |
| 17 | GIBSON KILLER PTY LTD | 83,300 | 0.53% |
| 18 | MR LUKE FREDERICK ATKINS | 74,696 | 0.48% |
| 19 | MR CALOGERO JOSEPH BARBAGIOVANNI + MR RAFFAELE GUADAGNINO | 70,000 | 0.45% |
| 20 | MR JIA YING ISAAC TAY | 58,650 | 0.37% |
| | TOTAL | 13,977,574 | 89.32% |