

Friday, 14 July 2017

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 June 2017

Month Ending:	% Change	30 June 2017 Consolidated	31 May 2017 Consolidated
Net tangible assets (NTA) (before tax)		\$6.035m	\$6.030m
Pre-Tax NTA Backing per share	+0.11%	\$0.3857	\$0.3853
Net tangible assets (after tax)		\$6.035m	\$6.030m
Post-Tax NTA Backing per share	+0.11%	\$0.3857	\$0.3853
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)	2.637	2.058
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.420	0.440
(b) Other listed securities	-	0.007
Investment in units in managed fund	0.074	0.072
Investment in property (held for development/resale)	1.220	1.350
Agribusiness assets	1.573	1.977
Net cash/receivables/payables/other assets/provisions	0.111	0.126
Pre-Tax NTA	\$6.035	\$6.030
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$6.035	\$6.030


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 Note 22 (Investments in Associates) at page 43 of the Company's [2016 Annual Report](#)).
- Accordingly, as at 30 June 2017, the Company's 20,513,783 shares (26.95% interest) (31 May 2017: 20,513,783 shares and 26.95%) in BEL have a carrying value of \$0.129 per share (\$2.637m); this compares with BEL's last bid price on ASX of \$0.105 per share (\$2.154m) and BEL's after-tax NTA backing of \$0.1663 per share (\$3.411m) at month end.
- (2) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 10,000,000 shares (31 May 2017: 10,000,000 shares) with a value of \$0.042 per share (based on the closing bid price on 30 June 2017) (31 May 2017: \$0.044).
- (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. The revaluation loss of \$130,000 has been recognised in the Statement of Profit or Loss and Other Comprehensive Income. (refer Note 12 (Property held for Resale) at page 37 of the Company's [2016 Annual Report](#) for the accounting policy).
- (6) Agribusiness assets comprise a 143 hectare property comprising olive grove freehold land (with a water licence entitlement), olive trees (with approximately 64,500, 18 year old plantings) and depreciable plant and equipment. The land (with the water licence entitlement) was valued by an independent qualified valuer (a Certified Valuer and Associate Member of the Australian Property Institute) as at 15 June 2017. The revaluation loss of \$401,209 has been recognised in the the Asset Revaluation Reserve. The olive trees and depreciable plant and equipment are carried at net realisable value (refer Note 13 (Property, Plant and Equipment) at page 38 of the Company's [2016 Annual Report](#) for the accounting policy).
- (7) 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).

FURTHER INFORMATION:

Farooq Khan
Executive Chairman

T | (08) 9214 9797
E | info@orionequities.com.au

Victor Ho
Executive Director and Company Secretary

T | (08) 9214 9797
E | cosec@orionequities.com.au