

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 28 February 2019

Month Ending:	% Change	28 February 2019 Consolidated	31 January 2019 Consolidated
Net tangible assets (NTA) (before tax)		\$2.996	\$3.07
Pre-Tax NTA Backing per share	-2.41%	\$0.1914	\$0.1962
Net tangible assets (after tax)		\$2.996	\$3.07
Post-Tax NTA Backing per share	-2.41%	\$0.1914	\$0.1962
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)	0.652	0.684
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.420	0.430
Investment in property (held for development/resale)	1.220	1.220
Net cash/receivables/payables/other assets/provisions	0.704	0.736
Pre-Tax NTA	2.996	3.070
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	2.996	3.070

Orion notes that Strike Resources Limited announced on 13 March 2019 that Strike had secured an interest in the Solaroz Lithium Brine Project in Argentina.¹ Orion's shareholding in Strike is currently valued at \$0.63 million, based on a last bid price of 6.3 cents as at 13 March 2019 – this compares with a last bid price of 4.2 cents as at 28 February 2019.

¹ Refer Strike's ASX Announcement dated [13 March 2019: Strike Secures Solaroz Lithium Brine Project in Argentina's Lithium Triangle](#)



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 31 February 2019, the Company's 20,513,783 shares (26.95% interest) (31 January 2019: 20,513,783 shares and 26.95%) in BEL have a carrying value of \$0.032 per share (\$0.652m); this compares with BEL's last bid price on ASX of \$0.085 per share (\$1.744m) and BEL's after-tax NTA backing of \$0.0914 per share (\$1.88m), as at month end.

- (2) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 10,000,000 shares (31 January 2019: 10,000,000 shares) with a value of \$0.042 per share (based on the closing bid price as at 28 February 2019) (31 January 2019: \$0.043).
- (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.