

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 31 August 2020

Month Ending:	% Change	31 August 2020 Consolidated	31 July 2020 Consolidated
Net tangible assets (NTA) (before tax)		\$4.29m	\$2.08m
Pre-Tax NTA Backing per share	+106.29%	\$0.2742	\$0.1329
Net tangible assets (after tax)		\$4.29m	\$2.08m
Post-Tax NTA Backing per share	+106.29%	\$0.2742	\$0.1329
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 (ASX:BEL)	1.643	0.331
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (ASX:SRK)	1.500	0.580
Investment in property (held for development/resale)	1.100	1.100
Net cash/receivables/payables/other assets/provisions	0.047	0.069
Pre-Tax NTA	4.290	2.080
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	4.290	2.080

Orion has valued its 10 million shareholding in Strike Resources Limited (ASX:SRK) based on the \$0.15 last bid price as at 31 August (31 July: \$0.058). Bentley notes that Strike's current bid price was \$0.15 (as at 4 September 2020).



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 20 (Investments in Associates) on pages 38 and 39 of the Company's 30 June 2020 Full Year Report for further details in this regard.

Accordingly, as at 31 August 2020, the Company's 20,513,783 shares (26.95% interest) (31 July 2020: 20,513,783 shares and 26.95%) in BEL have a \$1.643m carrying value; this compares with BEL's last bid price on ASX of \$0.076 per share (\$1.559m) and BEL's after-tax NTA backing of \$0.1402 per share (\$2.877m)¹, as at month end.

- (2) The fair value of investments in ASX-listed Strike Resources Limited (ASX:**SRK**) comprise 10,000,000 shares (31 July 2020: 10,000,000 shares) with a value of \$0.15 per share (based on the closing bid price as at 31 August 2020) (31 July 2020: \$0.058).
- (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) The fair value of Investment in 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.
- (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 6 (Tax) on pages 27 to 29 of the Company's 30 June 2020 Full Year Report for further details in this regard.

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¹ Refer BEL's ASX Announcement dated 7 September 2020: NTA Backing as at 31 August 2020