

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 31 January 2020

Month Ending:	% Change	31 January 2020 Consolidated	31 December 2019 Consolidated
Net tangible assets (NTA) (before tax)		\$1.999 m	\$2.013 m
Pre-Tax NTA Backing per share	-0.71%	\$0.1277	\$0.1286
Net tangible assets (after tax)		\$1.999 m	\$2.013 m
Post-Tax NTA Backing per share	-0.71%	\$0.1277	\$0.1286
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)	0.206	0.201
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.460	0.450
Investment in property (held for development/resale)	1.100	1.100
Net cash/receivables/payables/other assets/provisions	0.233	0.262
Pre-Tax NTA	1.999	2.013
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	1.999	2.013



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 39 and 40 of the Company's 2019 Annual Report for further details in this regard.
- Accordingly, as at 31 January 2020, the Company's 20,513,783 shares (26.95% interest) (31 December 2019: 20,513,783 shares and 26.95%) in BEL have a carrying value of \$0.01 per share (\$0.206m); this compares with BEL's last bid price on ASX of \$0.04 per share (\$0.821m) and BEL's after-tax NTA backing of \$0.0702 per share (\$1.44m)¹, as at month end.
- (2) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 10,000,000 shares (31 December 2019: 10,000,000 shares) with a value of \$0.046 per share (based on the closing bid price as at 31 January 2020) (31 December 2019: \$0.045).
- (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 valuer (a Certified Valuer and Associate Member of the Australian Property Institute) as at 30 June 2019.
- (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 25 to 26 of the Company's 2019 Annual Report for further details in this regard.

FOR FURTHER INFORMATION:

Victor Ho
 Executive Director & Company Secretary
 T | (08) 9214 9797
 E | cosec@orionequities.com.au

¹ Refer BEL's ASX Announcement dated 14 February 2020: NTA Backing as at 31 January 2020