Monday, 9 August 2021

ASX Code: OEQ

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 31 July 2021

Month Ending:	% Change	**31 July 2021 Consolidated**	30 June 2021 Consolidated
Net tangible assets (**NTA**) (before tax)		**$7.313m**	$7.047m
Pre-Tax NTA Backing per share	**+3.68%**	**$0.4673**	$0.4503
Net tangible assets (after tax)		**$7.313m**	$7.047m
Post-Tax NTA Backing per share	**+3.68%**	**$0.4673**	$0.4503
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**)	**3.133**	2.980
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (ASX:**SRK**)	**2.800**	2.650
Investment in property (held for development/resale)	**1.750**	1.750
Net cash/receivables/payables/other assets/provisions	**(0.370)**	(0.333)
Pre-Tax NTA	**7.313**	7.047
Tax Provisions:		
(a) Prior year tax	**-**	-
(b) Current year tax	**-**	-
(c) Net deferred tax asset / (liability)	**-**	-
Post-Tax NTA	**7.313**	7.047

Orion has valued its 10 million shareholding in Strike Resources Limited (ASX:SRK) based on the $0.28 last bid price as at 31 July 2021 (30 June 2021: $0.265). Bentley notes that Strike's last bid price was $0.24 (as at 9 August 2021).

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 37 and 38 of the Company's 30 June 2020 Annual Report for further details in this regard.

Accordingly, as at 31 July 2021, the Company's 20,513,783 shares (26.95% interest) (30 June 2021: 20,513,783 shares and 26.95%) in BEL have a $3.13m carrying value; this compares with BEL's last bid price on ASX of $0.115 per share ($2.36m) and BEL's after-tax NTA backing of $0.213 per share ($4.37m)[1], as at month end.

(2) The fair value of investments in ASX-listed Strike Resources Limited (ASX:SRK) comprise 10,000,000 shares (30 June 2021: 10,000,000 shares) with a value of $0.28 per share (based on the closing bid price as at 31 July 2021) (30 June 2021: $0.265).

(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 licensed valuer of the Australian Property Institute as at 30 June 2021.

(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 26 to 28 of the Company's 30 June 2020 Annual Report for further details in this regard.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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1 Refer BEL's ASX Announcement dated 9 August 2021: NTA Backing as at 31 July 2021