



HALF YEAR REPORT

31 December 2012

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2012 ANNUAL REPORT OF THE COMPANY



ASX Code: OEQ

Orion Equities Limited
A.B.N. 77 000 742 843

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CONTENTS

ASX Appendix 4D Half Year Report	2
Directors' Report	4
Auditor's Independence Declaration	12
Consolidated Statement of Profit or Loss and other Comprehensive Income	13
Consolidated Statement of Financial Position	14
Consolidated Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Consolidated Financial Statements	17
Directors' Declaration	23
Auditor's Independent Review Report	24
Securities Information	26

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info@orionequities.com.au

CORPORATE DIRECTORY**BOARD**

Farooq Khan	Executive Chairman
William Johnson	Executive Director
Victor Ho	Executive Director
Yaqoob Khan	Non-Executive Director

COMPANY SECRETARY

Victor Ho

PRINCIPAL & REGISTERED OFFICE

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ASX CODE

OEQ

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APPENDIX 4D HALF YEAR REPORT

This Half Year Report is provided to the Australian Securities Exchange (**ASX**) under ASX Listing Rule 4.2A.3.

Current Reporting Period: 1 July 2012 to 31 December 2012
 Previous Corresponding Period: 1 July 2011 to 31 December 2011
 Reporting Date: 31 December 2012
 Company: Orion Equities Limited (**Orion** or **OEQ**)
 Consolidated Entity: Orion and controlled entities.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Consolidated Entity	Dec 2012 \$	Dec 2011 \$	% Change	Up/ Down
Total revenues	701,604	375,048	87%	Up
Total expenses	(727,633)	(4,123,313)	82%	Down
Loss before tax	(26,029)	(3,748,265)	99%	Loss Down
Income tax expense	-	-		
Loss attributable to members of the Company	(26,029)	(3,748,265)	99%	Loss Down
Basic loss per share (cents)	(0.15)	(21.04)	99%	Loss Down

Consolidated Entity	Dec 2012 \$	Jun 2012 \$	% Change	Up/ Down
Pre-tax NTA backing per share	0.694	0.695	0.1%	Down
Post-tax NTA backing per share	0.694	0.695	0.1%	Down

BRIEF EXPLANATION OF RESULTS

Revenues include:

- (1) \$477,357 net gain on financial assets held at fair value through profit or loss (December 2011: \$1,731,769 net loss); and
- (2) \$172,630 income from olive grove operations (December 2011: \$336,831).

Expenses include:

- (1) \$3,995 share of ASX listed Bentley Capital Limited's (**BEL**) (Associate entity) net loss (December 2011: \$987,980 net loss, net of dividends received from Associate of \$697,469);
- (2) \$293,973 personnel costs (including Directors' fees) (December 2011: \$327,756); and
- (3) \$275,466 olive grove and oil operations (which does not include depreciation expenses) (December 2011: \$658,610).

APPENDIX 4D HALF YEAR REPORT

The principal components of the \$477,357 net gain on financial assets held at fair value through profit or loss are:

- (a) \$834,540 unrealised gain on the Company's share investment in ASX listed Strike Resources Limited (**SRK**) which increased in value from \$0.11 to \$0.16 per share during the half year;
- (b) \$98,717 realised gain on the sale of the Company's 6,332,744 shares in ASX listed Alara Resources Limited (**AUQ**) (from cost) at an average price of \$0.25 per share (excluding brokerage); the Company notes that historically, it has realised a total of \$2.64 million gross proceeds from the sale of 9,332,744 AUQ shares with a cash cost base of \$2.23 million; and
- (c) \$447,018 reversal of previous periods' unrealised gain on the Company's investment in AUQ on disposal of the same during the current period.

Please refer to the Directors' Report and Financial Report for further information on a review of the operations and the financial position and performance of Orion Equities for the half year ended 31 December 2012.

DIVIDENDS

The Directors have not declared a dividend in respect of the half year ended 31 December 2012.

ASSOCIATE ENTITIES

Orion Equities has accounted for the following share investment at reporting date as investments in an Associate entity (on an equity accounting basis):

- (1) 27.97% interest in ASX listed Bentley Capital Limited (**BEL**) (30 June 2012: 27.97%).

CONTROLLED ENTITIES

The Company did not gain or cease control of any entities during the half year.

For and on behalf of the Directors,



Victor Ho
Executive Director and Company Secretary

Date: 28 February 2013

Telephone: (08) 9214 9797
Email: cosec@orionequities.com.au

DIRECTORS' REPORT

The Directors present their report on Orion Equities Limited (**Company** or **Orion Equities** or **OEQ**) and its controlled entities (the **Consolidated Entity**) for the half year ended 31 December 2012 (**Reporting Date**).

Orion Equities is a public company limited by shares that was incorporated in New South Wales and has been listed on the Australian Securities Exchange (**ASX**) since November 1970 (ASX Code: **OEQ**).

NET TANGIBLE ASSET BACKING (NTA)

Consolidated Entity	Dec 2012	Jun 2012
	\$	\$
Net tangible assets (before tax)	12,356,474	12,382,503
Pre-Tax NTA Backing per share	0.694	0.695
Less deferred tax assets and tax liabilities	-	-
Net tangible assets (after tax)	12,356,474	12,382,503
Pre-Tax NTA Backing per share	0.694	0.695
Based on total issued share capital	17,814,389	17,814,389

FINANCIAL POSITION

Consolidated Entity	Dec 2012	Jun 2012
	\$	\$
Cash	1,819,704	365,031
Financial assets at fair value through profit and loss	2,715,115	3,821,383
Investments in listed Associate entity	4,375,121	4,584,254
Inventory	1,840,951	1,917,595
Receivables	144,371	292,915
Intangibles	727,746	727,746
Other assets	1,664,586	1,686,035
Deferred tax asset	161,302	352,085
Total Assets	13,448,896	13,747,044
Other payables and liabilities	(203,374)	(284,710)
Deferred tax liability	(161,302)	(352,085)
Net Assets	13,084,220	13,110,249
Issued capital	19,374,007	19,374,007
Reserves	361,505	361,505
Accumulated losses	(6,651,292)	(6,625,263)
Total Equity	13,084,220	13,110,249

DIRECTORS' REPORT

OPERATING RESULTS

Consolidated Entity	Dec 2012 \$	Dec 2011 \$
Total revenues	701,604	375,048
Total expenses	(727,633)	(4,123,313)
Loss before tax	(26,029)	(3,748,265)
Income tax expense	-	-
Loss attributable to members of the Company	(26,029)	(3,748,265)

Revenues include:

- (1) \$477,357 net gain on financial assets held at fair value through profit or loss (December 2011: \$1,731,769 net loss); and
- (2) \$172,630 income from olive grove operations (December 2011: \$336,831).

Expenses include:

- (1) \$3,995 share of ASX listed Bentley Capital Limited's (**BEL**) (Associate entity) net loss (December 2011: \$987,980 net loss, net of dividends received from Associate of \$697,469);
- (2) \$293,973 personnel costs (including Directors' fees) (December 2011: \$327,756); and
- (3) \$275,466 olive grove and oil operations (which does not include depreciation expenses) (December 2011: \$658,610).

The principal components of the \$477,357 net gain on financial assets held at fair value through profit or loss are:

- (a) \$834,540 unrealised gain on the Company's share investment in ASX listed Strike Resources Limited (**SRK**) which increased in value from \$0.11 to \$0.16 per share during the half year;
- (b) \$98,717 realised gain on the sale of the Company's 6,332,744 shares in ASX listed Alara Resources Limited (**AUQ**) (from cost) at an average price of \$0.25 per share (excluding brokerage); the Company notes that historically, it has realised a total of \$2.64 million gross proceeds from the sale of 9,332,744 AUQ shares with a cash cost base of \$2.23 million; and
- (c) \$447,018 reversal of previous periods' unrealised gain on the Company's investment in AUQ on disposal of the same during the current period.

LOSS PER SHARE

Consolidated Entity	Dec 2012	Dec 2011
Basic and diluted loss per share (cents)	(0.15)	(21.04)
Weighted average number of ordinary shares outstanding during the half year used in the calculation of basic and diluted loss per share	17,814,389	17,814,389

DIVIDENDS

The Directors have not declared a dividend in respect of the half year ended 31 December 2012.

DIRECTORS' REPORT

SECURITIES IN THE COMPANY

At the reporting date and the date of this report, the Company had 17,814,389 shares on issue (30 June 2012: 17,814,389). The Company does not have other securities on issue at the date of this report.

REVIEW OF OPERATIONS

(a) Investment Portfolio Details as at 31 December 2012

Asset Weighting

	% of Net Assets	
	Dec 2012	Dec 2011
Australian equities	54%	63%
Agribusiness ¹	19%	16%
Property held for development and resale	13%	13%
Net tax liabilities (current year and deferred tax assets/liabilities)	-	-
Net cash/other assets and provisions	14%	8%
TOTAL	100%	100%

Major Holdings in Securities Portfolio

Equities	Fair Value \$'million	% of Net Assets	ASX Code	Industry Sector Exposures
1. Bentley Capital Limited	3.28	25.08%	BEL	Diversified Financials
2. Strike Resources Limited	2.67	20.41%	SRK	Materials
TOTAL	5.95	45.49%		

(b) Bentley Capital Limited (ASX Code: BEL)

Bentley Capital Limited (**Bentley**) is a listed investment company with a current exposure to Australian equities. Orion Directors, Farooq Khan and William Johnson are on the Board of Bentley as Chairman and Executive Director respectively. Orion Director and Company Secretary, Victor Ho, is also Company Secretary of Bentley.

Orion holds 27.97% (20,513,783 shares) of Bentley's issued ordinary share capital with Queste Communications Ltd (the controlling company of Orion) holding 2.37% (1,740,625 shares) of Bentley's issued ordinary share capital (30 June 2012: Orion held 20,513,783 shares (27.97%) and Queste held 1,740,625 shares (2.37%)).

Bentley's asset weighting as at 31 December 2012 was 63.8% Australian equities (30 June 2012: 75.6%) and 36.2% net cash/ other assets (30 June 2012: 24.4%).

Bentley had net assets of \$19.32 million as at 31 December 2012 (30 June 2012: \$20.07 million) and incurred an after tax net loss of \$0.01 million for the financial half year (31 December 2011: \$3.50 million net loss).

¹ Agribusiness net assets include olive grove land, olive trees, water licence, buildings, plant and equipment and inventory (bulk and packaged oils)

DIRECTORS' REPORT

Bentley has also returned \$0.73 million (via a capital return of one cent per share) to its shareholders during the financial half year (6 months to 30 June 2012: \$0.73 million was returned to shareholders via a capital return of one cent per share).

Orion received a total of \$205,138 from this distribution during the financial half year (6 months to 30 June 2012: \$205,138).

On 28 February 2013, Bentley announced its intention to seek shareholder approval to undertake a one cent per share return of capital. Subject to receipt of Bentley shareholder approval, Orion's entitlement under this proposed distribution is expected to be \$205,138.

The Company notes that these capital distributions from Bentley are not regarded as revenues/income; the carrying value of the Company's investment in Bentley is reduced by the value of the capital returned by Bentley.

(c) **Strike Resources Limited (ASX Code: SRK)**

Strike Resources Limited (**Strike**) is a resources company with iron ore exploration and development projects in Peru. Orion Director, William Johnson is a Director on the Board of Strike.

The Company holds 16,690,802 shares, being 11.48% of Strike's issued ordinary share capital (30 June 2012: 16,690,802 shares and 11.71%).

The value of Orion's holdings in Strike appreciated by \$0.835 million during the course of the half year, from \$1.84 million (at \$0.11 per share as at 30 June 2012) to \$2.67 million (at \$0.16 per share on 31 December 2012).

Historically, the shareholding in Strike has predominantly been earned through the sale of various mining assets to Strike. These assets were acquired and funded to the point of sale to Strike at a cost of approximately \$1.25 million. They were subsequently on sold to Strike in tranches for a total consideration of \$19 million comprising 11,166,667 Strike shares and 3.5 million unlisted Strike options (with exercise prices of \$0.178 and \$0.278 per option, which were converted into shares in February 2011 at a cost of \$0.79 million). Orion has also acquired 2,024,135 additional Strike shares on-market and via the conversion of listed options at \$0.20 each.

(d) **Alara Resources Limited (ASX Code: AUQ)**

Alara Resources Limited (**Alara**) is a minerals exploration and development company with precious and base metals projects in Saudi Arabia and Oman. Orion Director, William Johnson is on the Board of Alara as a Non-Executive Director. Orion Chairman, Farooq Khan, resigned as an Alara Director on 31 August 2012. Orion Director and Company Secretary, Victor Ho, is also Company Secretary of Alara.

In September 2012, the Company sold its 6,332,744 shareholding in Alara at an average price of \$0.25 per share (excluding brokerage), realising gross proceeds of \$1.58 million. The Company incurred a net loss on sale of \$0.348 million comprising:

- (i) \$98,717 realised gain (from cost); and
- (ii) \$447,018 reversal of previous periods' unrealised gain.

DIRECTORS' REPORT

Historically, the shareholding in Alara occurred through the sale of Orion's 25% interest in various uranium tenements to Alara in conjunction with Strike (who held the balance of 75% interest in the same). These assets were acquired and funded to the point of sale to Strike previously at a cost of approximately \$0.05 million. Orion's residual 25% interest was free-carried by Strike thereafter. Orion's interests in these mining tenements were subsequently on-sold to Alara for vendor shares in the initial public offering (IPO) of Alara for a consideration of \$1,562,500 comprising 6,250,000 Alara shares. Orion also acquired 3,082,744 additional Alara shares via the Alara IPO, on-market purchases and via an in-specie distribution from Strike.

(e) Agribusiness Assets

The Company owns the ultra premium 'Dandaragan Estate' Extra Virgin Olive Oil business and a 143 hectare commercial olive grove located in Gingin, Western Australian (approximately 100 kilometres North of Perth) producing olive oil from approximately 64,500, 13-14 year old olive tree plantings.

The 2012 harvesting season (completed in May 2012) yielded ~170 tonnes of fruit from which ~34,079 litres of oils were extracted (2011: ~1,200 tonnes of fruit and ~200,000 litres of oils). The decrease in tonnes processed reflects the biennial cycle of growth and production from olive trees whereby trees exhibit alternating years of high and low bearing fruit.

Furthermore, the 2012 harvest was intentionally significantly reduced to save costs. The oil harvested is sufficient for the ultra premium 'Dandaragan Estate' Extra Virgin Olive Oil business.

A summary of results for the olive grove operations during the financial half year are as follows:

- (i) Gross revenues were \$172,630 (31 December 2011: \$336,831);
- (ii) Olive grove operation expenses were \$275,466 (which does not include depreciation expenses) (31 December 2011: \$658,610);
- (iii) Olive grove depreciation expenses were \$32,417 (31 December 2011: \$39,195);
- (iv) Inventory – Bulk Oils of \$120,838 reflects the pro-rata cost of harvesting and processing the bulk litres of oil (30 June 2012: \$206,320); and
- (v) Inventory – Packaged Oils of \$11,475 reflects the pro-rata cost of harvesting and processing the packaged litres of oil plus the cost of packaging and bottles/tins held as inventory (30 June 2012: \$15,677).

The carrying values of the olive grove property (\$999,901) and water licence (\$627,750) are based on an independent valuation of the assets undertaken for the 30 June 2012 accounts. The carrying value of the olive trees (\$65,500 representing approximately one dollar per tree) is based on the Directors' assessment of their value for the 30 June 2012 accounts.

A fresh independent valuation of these assets will be undertaken for the 30 June 2013 accounts.

(f) Other Property Assets

This relates to a property located in Mandurah, Western Australia, which was originally acquired as a multi-unit development site. In 2009/2010 Orion sought development approval for the subdivision of the property into 4 survey-strata title lots. This application was rejected by the Western Australian Planning Commission. Subsequently Orion undertook a sale process of the property by way of public auction, with such auction failing to attract any bids. Orion has since renovated and rented out the property.

The carrying value of \$1,640,000 is based on an independent valuation of the property undertaken for the 30 June 2012 accounts.

A fresh independent valuation of this asset will be undertaken for the 30 June 2013 accounts.

DIRECTORS' REPORT

BOARD OF DIRECTORS

Information concerning Directors in office during or since the half year is as follows:

Farooq Khan	Executive Chairman
<i>Appointed</i>	23 October 2006
<i>Qualifications</i>	BJuris , LLB. (<i>Western Australia</i>)
<i>Experience</i>	Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Relevant interest in shares</i>	2,000 shares - directly
<i>Special Responsibilities</i>	Chairman of the Company and the Investment Committee
<i>Other current directorships in listed entities</i>	(1) Executive Chairman and Managing Director of Queste Communications Ltd (QUE) (since 10 March 1998) (2) Executive Chairman of Bentley Capital Limited (BEL) (director since 2 December 2003)
<i>Former directorships in other listed entities in past 3 years</i>	(1) Alara Resources Limited (AUQ) (18 May 2007 to 31 August 2012) (2) Yellow Brick Road Holdings Limited (YBR) (27 April 2006 to 18 March 2011) (3) Strike Resources Limited (SRK) (3 September 1999 to 3 February 2011)

William M. Johnson	Executive Director
<i>Appointed</i>	28 February 2003.
<i>Qualifications</i>	MA (Oxon), MBA
<i>Experience</i>	Mr Johnson commenced his career in resource exploration and has held senior management and executive roles in a number of public companies in Australia, New Zealand and Asia. Throughout his career, Mr Johnson has been actively involved in the strategic analysis of a diverse range of business and investment opportunities, and the execution of many corporate transactions. As Executive Director, Mr Johnson is part of the Investment Committee of the Company. Mr Johnson brings a considerable depth of experience in business strategy and investment analysis and execution.
<i>Relevant interest in shares</i>	None
<i>Special Responsibilities</i>	Member of Investment Committee
<i>Other current directorships in listed entities</i>	(1) Executive Director of Strike Resources Limited (SRK) (since 21 January 2013) (Director since 14 July 2006) (2) Executive Director of Bentley Capital Limited (BEL) (since 13 March 2009) (3) Non-Executive Director of Alara Resources Limited (AUQ) (since 1 July 2011) (Director since 26 October 2009)
<i>Former directorships in other listed entities in past 3 years</i>	None

DIRECTORS' REPORT

Victor P. H. Ho	Executive Director and Company Secretary
<i>Appointed</i>	Executive Director since 4 July 2003; Company Secretary since 2 August 2000
<i>Qualifications</i>	BCom, LLB (<i>Western Australia</i>); Chartered Tax Adviser (CTA)
<i>Experience</i>	Mr Ho has been in company secretarial/executive roles with a number of public listed companies since 2000. Previously, Mr Ho had 9 years experience in the taxation profession with the Australian Tax Office and in a specialist tax law firm. Mr Ho has extensive experience in the structuring and execution of commercial and corporate transactions, capital raisings, capital management matters, public company administration, corporations law and stock exchange compliance and shareholder relations.
<i>Relevant interest in shares</i>	None
<i>Special Responsibilities</i>	Member of Investment Committee
<i>Other positions held in listed entities</i>	Company Secretary of: <ol style="list-style-type: none"> (1) Queste Communications Ltd (QUE) (since 30 August 2000) (2) Bentley Capital Limited (BEL) (since 5 February 2004) (3) Alara Resources Limited (AUQ) (since 4 April 2007)
<i>Former directorships in other listed entities in past 3 years</i>	(1) Strike Resources Limited (SRK) (Secretary between 9 March 2000 and 30 April 2010 and Director between 12 October 2000 and 25 September 2009)

Yaqoob Khan	Non-Executive Director
<i>Appointed</i>	5 November 1999
<i>Qualifications</i>	BCom (<i>Western Australia</i>), Master of Science in Industrial Administration (<i>Carnegie Mellon</i>)
<i>Experience</i>	Mr Khan holds a Masters degree in Business and has worked as a senior executive responsible for product marketing, costing systems and production management. Mr Khan has been involved in the structuring and ASX listing of a number of public companies and in subsequent executive management. Mr Khan brings considerable international experience in corporate finance and the strategic analysis of listed investments.
<i>Relevant interest in shares</i>	None
<i>Special Responsibilities</i>	None
<i>Other current directorships in listed entities</i>	Non-Executive Director of Queste Communications Ltd (QUE) (since 10 March 1998)
<i>Former directorships in other listed entities in past 3 years</i>	None

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* forms part of this Directors Report and is set out on page 12. This relates to the Auditor's Independent Review Report, where the Auditors state that they have issued an independence declaration.

DIRECTORS' REPORT

Signed for and on behalf of the Directors in accordance with a resolution of the Board,



Farooq Khan
Chairman

28 February 2013



William Johnson
Director

28 February 2013

The Board of Directors
Orion Equities Limited
Level 14, The Forrest Centre
221 St Georges Terrace
PERTH WA 6000

Dear Sirs,

**DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF
ORION EQUITIES LIMITED**

As lead auditor for the review of Orion Equities Limited for the half-year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Orion Equities Limited and the entities it controlled during the period.



Brad McVeigh
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2012

	Note	31 Dec 12 \$	31 Dec 11 \$
Revenue	2	224,247	375,048
Net Gain on Financial Assets at Fair Value through Profit or Loss		477,357	-
TOTAL REVENUE		701,604	375,048
EXPENSES	2		
Net Loss on Financial Assets at Fair Value through Profit or Loss		-	(1,731,769)
Share of Net Loss of Associate		(3,995)	(987,980)
Cost of Goods Sold in relation to Olive Oil Operations		(240,069)	(697,805)
Personnel Expenses		(305,126)	(327,756)
Communication Expenses		(4,570)	(4,086)
Occupancy Expenses		(35,911)	(61,344)
Finance Expenses		(1,400)	(21,532)
Corporate Expenses		(19,821)	(43,001)
Administration Expenses		(116,741)	(248,040)
LOSS BEFORE INCOME TAX		(26,029)	(3,748,265)
Income Tax Expense		-	-
LOSS FOR THE HALF YEAR		(26,029)	(3,748,265)
OTHER COMPREHENSIVE INCOME			
Revaluation of Assets, Net of Tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE HALF YEAR		(26,029)	(3,748,265)
Total Comprehensive Loss for the Half Year is attributable to:			
Owners of Orion Equities Limited		(26,029)	(3,748,265)
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic Loss per Share (cents)	3	(0.15)	(21.04)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2012

	Note	31 Dec 12 \$	30 Jun 12 \$
CURRENT ASSETS			
Cash and Cash Equivalents	4	1,819,704	365,031
Financial Assets at Fair Value through Profit or Loss	5	2,715,115	3,821,383
Trade and Other Receivables		111,548	260,092
Inventories		200,951	277,595
Other Current Assets		13,561	3,434
TOTAL CURRENT ASSETS		4,860,879	4,727,535
NON CURRENT ASSETS			
Trade and Other Receivables		32,823	32,823
Land held for Development or Resale		1,640,000	1,640,000
Investment in Associate Entity	6	4,375,121	4,584,254
Property, Plant and Equipment		1,585,525	1,617,101
Olive Trees		65,500	65,500
Intangible Assets		727,746	727,746
Deferred Tax Asset		161,302	352,085
TOTAL NON CURRENT ASSETS		8,588,017	9,019,509
TOTAL ASSETS		13,448,896	13,747,044
CURRENT LIABILITIES			
Trade and Other Payables		122,107	183,630
Provisions		81,267	101,080
TOTAL CURRENT LIABILITIES		203,374	284,710
NON CURRENT LIABILITIES			
Deferred Tax Liability		161,302	352,085
TOTAL NON CURRENT LIABILITIES		161,302	352,085
TOTAL LIABILITIES		364,676	636,795
NET ASSETS		13,084,220	13,110,249
EQUITY			
Issued Capital		19,374,007	19,374,007
Reserves		361,505	361,505
Accumulated Losses		(6,651,292)	(6,625,263)
TOTAL EQUITY		13,084,220	13,110,249

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2012

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2011	19,374,007	419,523	(1,647,232)	18,146,298
Loss for the Half Year	-	-	(3,748,265)	(3,748,265)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Loss for the Half Year	-	-	(3,748,265)	(3,748,265)
BALANCE AT 31 DECEMBER 2011	19,374,007	419,523	(5,395,497)	14,398,033
BALANCE AT 1 JULY 2012	19,374,007	361,505	(6,625,263)	13,110,249
Loss for the Half Year	-	-	(26,029)	(26,029)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Loss for the Half Year	-	-	(26,029)	(26,029)
BALANCE AT 31 DECEMBER 2012	19,374,007	361,505	(6,651,292)	13,084,220

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2012

	Note	31 Dec 12 \$	31 Dec 11 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		340,733	341,238
Dividends Received		13	697,469
Interest Received		31,400	5,628
Payments to Suppliers and Employees		(703,560)	(1,068,438)
Interest Paid		(144)	-
Sale/Redemption of Financial Assets at Fair Value		1,583,626	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES		1,252,068	(24,103)
CASH FLOWS FROM INVESTING ACTIVITIES			
Return of Capital Received		205,138	1,025,689
Purchase of Plant and Equipment		(2,633)	(1,051)
Proceeds from Sale of Plant and Equipment		100	-
Loan from Controlling Entity		-	150,000
Repayment of Loan to Controlling Entity		-	(650,000)
NET CASH PROVIDED BY INVESTING ACTIVITIES		202,605	524,638
NET INCREASE IN CASH HELD		1,454,673	500,535
Cash and Cash Equivalents at Beginning of Half Year		365,031	289,140
CASH AND CASH EQUIVALENTS AT END OF HALF YEAR	4	1,819,704	789,675

The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2012 to the date of this report.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2012 except for:

(a) AASB 2011-9: Amendments to Australian Accounting Standards-Presentation of Items of Other Comprehensive Income

Comparative figures have been reclassified as required to be consistent with the presentation of current year figures as required by the above AASB Amendment. The reclassification does not have an impact on the results presented.

2. LOSS FOR THE HALF YEAR

The Consolidated Entity's Operating Loss before Income Tax includes the following items of expense:

	31 Dec 12	31 Dec 11
	\$	\$
(a) Revenue		
Income from Sale of Olive Oil	172,630	336,831
Rental Income	20,204	32,589
Dividend Income	13	-
Interest Income	31,400	5,628
	<u>224,247</u>	<u>375,048</u>
Net Gain on Financial Assets at Fair Value through Profit or Loss	477,357	-
	<u><u>701,604</u></u>	<u><u>375,048</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

2. LOSS FOR THE HALF YEAR (continued)	31 Dec 12	31 Dec 11
	\$	\$
(b) Expenses		
Net Loss on Financial Assets at Fair Value through Profit or Loss	-	1,731,769
Share of Net Loss of Associate	3,995	987,980
Olive Oil Operations		
Cost of Goods Sold	240,069	648,527
Impairment and Depreciation of Olive Oil Assets	32,417	39,195
Other Expenses	35,397	10,083
Land Operations		
Other Expenses	13,311	153,346
Salaries, Fees and Employee Benefits	293,973	327,756
Occupancy Expenses	35,911	61,344
Finance Expenses	570	21,532
Corporate Expenses		
ASX Fees	15,149	19,309
Share Registry	2,972	3,704
Other Corporate Expenses	750	5,918
Administration Expenses		
Communications	4,350	4,086
Professional Fees	12,479	68,141
Realisation Cost of Investment Portfolio Written Back	(15,355)	(14,974)
Depreciation	1,543	1,763
Other Administration Expenses	50,102	53,834
	727,633	4,123,313

3. LOSS PER SHARE	31 Dec 12	31 Dec 11
	cents	cents
Basic Loss per Share	(0.15)	(21.04)

The following represents the loss and weighted average number of shares used in the loss per share calculations:

	31 Dec 12	31 Dec 11
	\$	\$
Loss after Income Tax	(26,029)	(3,748,265)
	Number of Shares	Number of Shares
Weighted Average Number of Ordinary Shares	17,814,389	17,814,389

The Consolidated Entity has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic loss per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

4. CASH AND CASH EQUIVALENTS	31 Dec 12	30 Jun 12
	\$	\$
Cash at Bank and in hand	219,704	365,031
Short-Term Deposits	1,600,000	-
	1,819,704	365,031

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	31 Dec 12	30 Jun 12
	\$	\$
Current		
Listed Investments at Fair Value	2,674,609	3,775,813
Unlisted Investments at Fair Value	40,506	45,570
	2,715,115	3,821,383

6. INVESTMENT IN ASSOCIATE ENTITY	Ownership Interest		Carrying amount	
	31 Dec 12	30 Jun 12	31 Dec 12	30 Jun 12
	%	%	\$	\$
Bentley Capital Limited	27.97	27.97	4,375,121	4,584,254

Movement in Investment

Opening Balance	4,584,254	7,088,745
Share of Net Loss after tax	(3,995)	(576,195)
Dividend Received	-	(697,469)
Returns of Capital Received	(205,138)	(1,230,827)
Closing Balance	4,375,121	4,584,254

Fair Value of Listed Investment in Associate	3,282,205	3,077,067
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Net Asset Value of Investment	5,404,313	5,613,462
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	Assets	Liabilities	Revenues	Net Loss
Summarised Position of Associate	\$	\$	\$	\$
31 Dec 12				
Bentley Capital Limited	5,490,272	85,959	179,350	(3,995)
30 Jun 12				
Bentley Capital Limited	5,713,126	99,664	160,353	(576,195)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

7. RELATED PARTY DISCLOSURES

(a) Ultimate Parent Company

ASX listed entity Queste Communications Ltd (QUE) is deemed to have control of the Consolidated Entity as it holds 50.88% (2011: 50.88%) of the Company's total issued share capital.

(b) Loans to Subsidiaries

The Company has borrowed and advanced funds with subsidiary companies as detailed below. Interest is not charged on such outstanding amounts.

	31 Dec 12	30 Jun 12
Subsidiary Company	\$	\$
Silver Sands Developments Pty Ltd	2,250,546	2,230,881
Dandaragan Estate Pty Ltd	2,685,373	2,912,864
CXM Pty Ltd	559	559

(c) Other Related Party Transactions

During the half year there were transactions between the Company, QUE and Associate Entity, Bentley Capital Limited (ASX Code: BEL), pursuant to share office and administration expense arrangements. There were no outstanding amounts at the reporting date. The following transactions also occurred during the financial year:

	31 Dec 12	31 Dec 11
Bentley Capital Limited	\$	\$
Dividends Received	-	697,469
Return of Capital Received	205,138	1,025,689

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

8. SEGMENT INFORMATION

The operating segments are reported in a manner consistent with the internal reporting provided to the "Chief Operating Decision Maker". The "Chief Operating Decision Maker", who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Board has considered the business and geographical perspectives of the operating results and determined that the Consolidated Entity operates only within Australia, with the main segments being Investments and Olive Oil. Unallocated items are mainly comprised of corporate assets, office expenses and income tax assets and liabilities.

	Investments	Olive Oil	Unallocated	Total
	\$	\$	\$	\$
31 Dec 12				
Segment Revenues	497,574	172,630	31,400	701,604
Segment Gain/(Loss) before tax	493,603	(135,253)	(384,379)	(26,029)
Segment Assets	8,891,537	2,675,285	1,882,074	13,448,896
Segment Liabilities	(192,636)	(20,378)	(151,662)	(364,676)
31 Dec 11				
Segment Revenues	32,589	336,831	5,628	375,048
Segment Loss before tax	(2,825,533)	(395,426)	(527,306)	(3,748,265)
30 Jun 12				
Segment Assets	10,644,839	2,934,315	167,890	13,747,044
Segment Liabilities	(86,366)	(185,698)	(364,731)	(636,795)

9. COMMITMENTS

	31 Dec 12	30 Jun 12
	\$	\$
Not longer than one year	39,315	78,630
Later than one year but not later than five years	-	-
	<u>39,315</u>	<u>78,630</u>

The non-cancellable operating lease commitment is the Consolidated Entity's share of the office premises at Level 14, The Forrest Centre, 221 St Georges Terrace, Perth, Western Australia, and includes all outgoings (exclusive of GST). The lease is for a 7 year term expiring 30 June 2013 and contains a rent review increase each year alternating between 5% and the greater of market rate or CPI + 1%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2012

10. CONTINGENCIES

(a) Directors' Deeds

The Company has entered into Deeds of Indemnity with each of its Directors indemnifying them against liability incurred in discharging their duties as Directors/Officers of the Consolidated Entity. At the end of the financial period, no claims have been made under any such indemnities and accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.

(b) Tenement Royalties

The Consolidated Entity is entitled to receive a royalty of 2% of gross revenues (exclusive of GST) from any commercial exploitation of any minerals from the following Australian tenements:

- (i) the Paulsens East Project tenements in Western Australia currently held by Strike Resources Limited (Strike) - EL47/1328 and PL47/1170; and
- (ii) the Bigryli South Project tenements in the Northern Territory currently held by Alara Resources Limited (Alara) - EL 24879, 24928 and 24929 and 24927.

11. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- (a) On 28 February 2013, Bentley Capital Limited announced its intention to seek shareholder approval to undertake a one cent per share return of capital (Return of Capital).

The Return of Capital is to be effected by Bentley seeking shareholder approval for a reduction in the share capital of the company by returning one cent per share to shareholders - this equates to an aggregate reduction of share capital by approximately \$0.734 million based upon the company's 73,350,541 shares currently on issue.

No shares will be cancelled as a result of the Return of Capital. Accordingly, the number of shares held by each shareholder will not change as a consequence of the Return of Capital.

The Return of Capital is subject to Bentley shareholder approval at a general meeting to be convened in April 2013. If Bentley shareholders approve this Return of Capital, the Company's entitlement under the Return of Capital is expected to be \$205,138.

No matter or circumstance has arisen since the end of the financial half year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Orion Equities Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001*, we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman



William Johnson
Director

28 February 2013

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ORION EQUITIES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Orion Equities Limited, which comprises the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Orion Equities Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Orion Equities Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Orion Equities Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'BDO' above 'BMV' with a large, sweeping flourish extending to the right.

Brad McVeigh
Director

Perth, Western Australia
Dated this 28th day of February 2013

SECURITIES INFORMATION

as at 31 December 2012

DISTRIBUTION OF FULLY PAID ORDINARY SHARES

Spread of Holdings	Number of Holders	Number of Shares	% of Total Issue Capital
1 – 1000	266	135,678	0.762%
1,001- 5000	211	497,750	2.794%
5,001- 10,000	58	448,298	2.516%
10,001 – 100,000	95	3,168,280	17.785%
100,001 and over	20	13,564,383	76.143%
Total	650	17,814,389	100%

TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

RANK	SHAREHOLDER	TOTAL SHARES	% ISSUED CAPITAL
1	QUESTE COMMUNICATIONS LTD *	9,063,153	50.875
2	CLEOD PTY LTD *	251,000	
	CELLANTE SECURITES *	<u>672,038</u>	
	Sub-total	923,038	5.181
3	JP MORGAN NOMINEES AUSTRALIA LIMITED	866,000	
	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	<u>24,225</u>	
	Sub-total	890,225	4.997
4	MR JUSTIN RIDGE & MRS AMANDA RIDGE	384,450	2.158
5	MR SEAN DENNEHY	191,500	
	MRS SEAN ANTHONY DENNEHY	<u>177,500</u>	
	Sub-total	369,000	2.071
6	REDSUMMER PTY LTD	225,000	1.263
7	MRS PENELOPE MARGARET SIEMON	201,335	1.130
8	MR RODNEY MALCOLM JONES & MRS CAROL ROBIN JONES	200,000	1.123
9	MS HOON CHOO TAN	197,538	1.109
10	MR BRUCE SIEMON	173,351	0.973
11	VIKAND CONSULTING PTY LTD	144,798	0.813
12	MR JOHN STEPHEN CALVERT	129,997	0.730
13	MR DONALD GORDON MACKENZIE & MRS GWENNETH ENDA MACKENZIE	126,189	0.708
14	MR STEPHEN JAMES LAMBERT & MRS RUTH LYNETTE LAMBERT & MR SIMON LEE LAMBERT <LAMBERT RETIREMENT A/C>	125,000	0.702
15	MR ANTHONY NEALE KILLER & MRS SANDRA MARIE KILLER <THE KILLER SUPER A/C>	120,000	0.674
16	LAPIN TRADING PTY LTD	106,300	0.597
17	ZELWER SUPERANNUATION PTY LTD	105,488	0.592
18	MR JOHN CHENG-HSIANG YANG & MS PEGA PING PING MOK	103,726	0.582
19	MRS CAROLINE ANN PICKERING	100,000	0.561
20	MR LAWRENCE BRIAN CUMMINGS & MRS FRANZIE NANETTE CUMMINGS	100,000	0.561
	TOTAL	13,028,074	73.131%

* Substantial shareholders of the Company