

Monday, 14 October 2013

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 September 2013

Month Ending:	% Change	30 September 2013 Consolidated	31 August 2013 Consolidated
Net tangible assets (NTA) (before tax)		\$9.669m	\$9.752m
Pre-Tax NTA Backing per share	+1.24%	\$0.554	\$0.547
Net tangible assets (after tax)		\$9.669m	\$9.752m
Post-Tax NTA Backing per share	+1.24%	\$0.554	\$0.547
Based on total issued share capital		17,446,889	17,814,389

During the September 2013 month, 367,500 shares were bought back at an average price of \$0.255 per share (and at a total cost of \$93,732) pursuant to an on-market share buy-back announced on 5 August 2013.

Excluding the cost of the buy-back, the NTA of the Company increased by \$0.0106 million during the month or +0.11% from the previous month.

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)	4.461	4.464
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	1.052	1.001
Investment in property (held for development/resale)	1.490	1.490
Agribusiness assets (including inventories)	1.295	1.306
Net cash/receivables/payables/other assets/provisions	1.371	1.491
Pre-Tax NTA	\$9.669	\$9.752
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$9.669	\$9.752



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Notes:

- (1) As a consequence of the on-market share buy-back, the NTA value has declined during the month. However the NTA backing per share has increased as a consequence of shares being bought back at a discount to the Company's NTA backing.
- (2) 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.
- (3) 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 note 1.3 (Summary of Accounting Policies - Investments in Associates) at page 22 of the Company's 2013 Full Year Report).

Accordingly, as at 30 September 2013, the Company's 20,513,783 shares (27.97% interest) (31 August 2013: 20,513,783 shares and 27.97%) in BEL have a carrying value of \$0.218 per share (\$4.461m); this compares with BEL's last bid price on ASX of \$0.155 per share (\$3.180m) and BEL's after-tax NTA backing of \$0.263 per share (\$5.403m) at month end.
- (4) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 16,690,802 shares (31 August 2013: 16,690,802 shares) with a value of \$0.063 per share (based on the closing bid price on 30 September 2013) (31 August 2013: \$0.060). The Company notes that SRK's closing bid price on 11 October 2013 was \$0.050 per share.
- (5) The fair value of investments in other listed securities is based on each security's last bid price on market at month end.
- (6) Investment in property (held for resale) is carried at net realisable value (refer note 1.13 (Summary of Accounting Policies - Property held for Resale) at page 24 of the Company's 2013 Full Year Report).
- (7) Agribusiness assets comprise a 143 hectare property comprising olive grove land and trees, depreciable plant and equipment, grove-related infrastructure and olive oil inventories. The olive grove land and trees are carried at net realisable value (refer note 1.14 (Summary of Accounting Policies - Property, Plant and Equipment) at page 24 of the Company's 2013 Full Year Report).
- (8) 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).

FURTHER INFORMATION:

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