QUESTE COMMUNICATIONS LTD

A.B.N 58 081 688 164

2014

ANNUAL REPORT

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Corporate Governance Statement
can be found at the following
URL on the Company's website
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CORPORATE DIRECTORY

BOARD
Farooq Khan (Chairman and Managing Director)
Victor Ho (Executive Director)
Yaqoob Khan (Non-Executive Director)

COMPANY SECRETARY
Victor Ho

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DIRECTORS' REPORT

The Directors present their report on Queste Communications Ltd (**Company** or **QUE**) and its controlled entities (the **Consolidated Entity** or **Queste**) for the financial year ended 30 June 2014 (**Balance Date**).

Queste is a public company limited by shares that is incorporated and domiciled in Western Australia and has been listed on the Australian Securities Exchange (**ASX**) since November 1998.

The Consolidated Entity's results incorporate the results of controlled entity, ASX-listed investment company, Orion Equities Limited (**Orion** or **OEQ**). The Company has a 58.90% shareholding interest in Orion (30 June 2013: 52.58%).

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year was the management of its assets.

The principal activities of controlled entity, Orion, during the financial year were the management of its investments, including investments in listed and unlisted securities, real estate held for development and resale, and an olive grove operation.

OPERATING RESULTS

CONSOLIDATED ENTITY	2014 $	2013 $
Total revenues	451,698	439,066
Total expenses	(1,660,780)	(3,892,502)
Loss before tax	**(1,209,082)**	**(3,453,436)**
Income tax expense	-	(57,300
Loss for the year	**(1,209,082)**	**(3,510,736)**
Net loss attributable to non-controlling interest	(331,184)	(1,496,136)
Loss after tax attributable to owners of the Company	**(1,540,266)**	**(2,014,600)**
Basic and diluted loss per share (cents)	(5.24)	(6.73)

LOSS PER SHARE

CONSOLIDATED ENTITY	2014	2013
Basic and diluted loss per share (cents)	(5.24)	(6.73)
Weighted average number of fully paid ordinary shares in the Company outstanding during the year used in the calculation of basic and diluted earnings per share	29,390,385	29,927,379

The Company's 9,000,000 partly paid ordinary shares, to the extent that they have been paid (1.5225 cent per share); have been included in the determination of the basic earnings per share.

DIVIDENDS

The Directors have not declared a dividend in respect of the financial year ended 30 June 2014.

DIRECTORS' REPORT

FINANCIAL POSITION

CONSOLIDATED ENTITY	2014 $	2013 $
Cash	1,169,619	2,747,596
Current investments - equities	1,172,419	723,873
Investments in Associate entity	4,119,072	4,307,391
Inventory	1,490,000	1,630,622
Receivables	175,225	262,685
Intangibles	575,437	650,433
Deferred tax assets	98,657	95,009
Other assets	1,163,269	1,226,155
Total Assets	**9,963,698**	**11,643,764**
Tax liabilities (current and deferred)	(98,657)	(95,009)
Other payables and liabilities	(283,117)	(324,970)
Net Assets	**9,581,924**	**11,223,785**
Issued capital	6,268,445	6,192,427
Reserves	3,106,232	2,257,792
Non-controlling interest	3,520,654	4,546,707
Accumulated losses	(3,313,407)	(1,773,141)
Total Equity	**9,581,924**	**11,223,785**

CAPITAL MANAGEMENT

Securities on Issue

At the Balance Date and the date of this report, the Company has the following securities on issue:

(a) 28,817,316 listed fully paid ordinary shares (2013: 28,404,879 fully paid ordinary shares); and

(b) 9,000,000 unlisted partly paid ordinary shares[1]; each paid to 1.5225 cents with 18.4775 cents per partly paid ordinary share outstanding (representing the equivalent of 685,125 voting shares[2]) (2013: 20,000,000 unlisted partly paid ordinary shares representing the equivalent of 1,522,500 voting shares).

making a total of 29,502,441 voting shares on issue (2013: 29,927,379 voting shares).

There were no securities issued or granted by the Company during or since the financial year.

On 27 June 2014, there was a conversion of 1,000,000 partly paid shares into fully paid shares upon payment of a call made by the Company in relation to 100% of the outstanding balance (being $0.184775 each or $184,775 in total) due and payable in respect of these 1,000,000 partly paid shares.[3]

Off-Market Equal Access Share Buy-Back Back

At the Company's 2013 annual general meeting (**AGM**) held on 28 November 2013, shareholders approved an equal access scheme share buy-back of up to 100% of each shareholder's shares in the Company (**Buy-Back**), subject to a maximum cost to the Company of $330,000 (**Buy-Back Cap**).[4]

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1 The terms of issue of the partly paid shares are disclosed in the Prospectus for the initial public offering of shares in the Company dated 6 August 1998 and also more recently, in the Company's Share Buy-Back Offer Booklet dated 11 December 2013 and released on ASX on 17 December 2013.

2 Each partly paid share is treated for voting purposes as being a proportion of a fully paid share, equal to the proportion to which it has been paid up - 1.5225 cents per share, representing 7.61% of the $0.20 issue price

3 Refer QUE ASX market announcement released on 30 June 2014: Appendix 3B – Application for Quotation

4 Refer Information Memorandum (including the Notice of Annual General Meeting, Explanatory Statement and Independent Expert's Report) dated 23 October 2013 and released on ASX on 30 October 2013 and Results of 2013 Annual General Meeting market announcement released on ASX on 28 November 2013

DIRECTORS' REPORT

By way of background:

- Queste, as part of a capital management programme for the benefit of shareholders, initiated an on-market share buy-back in 2012/2013[5]. This initiative met with little success and no shares were bought-back, primarily due to the lack of liquidity in trading of Queste shares, based upon the application of ASX Listing Rule 7.29. (This rule prescribes that an on-market buy-back may occur only if transactions in a company's shares were recorded on ASX on at least 5 days in the previous 3 months).
- Queste reviewed the on-market share buy-back initiative and the liquidity issue and identified an equal access buy-back scheme as an alternative; allowing shareholders an opportunity to realise their investment in the Company in an otherwise relatively illiquid market for Queste shares. It is also a cost-effective way for shareholders to dispose of their interests, as there are generally no brokerage costs associated with an off-market equal access buy-back scheme.
- Accordingly the Company determined, with shareholders' approval, to conduct an equal access scheme off-market share buy-back (the Buy-Back).
- The Buy-Back was open to all shareholders on an equal basis. Participation by shareholders was entirely voluntary, in whole or in part, in relation to their shareholding in the Company.
- As the Buy-Back Price was set below the net tangible asset (**NTA**) backing of Queste, the NTA backing of the Company has increased after completion of the Buy-Back. This benefits remaining shareholders or those shareholders that only accepted the Company's offer to buy back a portion of their shares.
- Please refer to the AGM Information Memorandum[2] and Share Buy-Back Offer Booklet[4] for further details on the Buy-Back.

The record date for determining entitlements to participate in the Buy-Back was 10 December 2013 and on 17 December 2013, a Share Buy-Back Offer Booklet[6] was despatched to eligible shareholders.

Under the Buy-Back (which closed on 21 January 2014):

- 587,563 fully paid ordinary shares were bought back for 10 cents per share, at a cost of $58,756; and
- 10,000,000 partly-paid ordinary shares were bought back for 0.5 of a cent per share, at a cost of $50,000,

with the total cost of the Buy-Back being $108,756.

Queste may consider undertaking further/annual equal access scheme share buy-backs depending on the Company's financial position and the liquidity of trading in Queste shares on ASX shares at the relevant time.

REVIEW OF OPERATIONS

1. Orion Equities Limited (OEQ)

1.1. Current Status of Investment in Orion

Orion Equities Limited is an ASX-listed investment entity (ASX Code: OEQ).

The Company holds 9,367,653 shares in Orion, being 58.90% of its issued ordinary share capital (2013: 9,367,653 shares and 52.58%). Orion has been recognised as a controlled entity and included as part of the Queste Consolidated Entity's results since 1 July 2002.

Queste shareholders are advised to refer to the 30 June 2014 Full Year Report and monthly NTA disclosures lodged by Orion for further information about the status and affairs of the company.

Information concerning Orion may be viewed from its website: www.orionequities.com.au
Orion's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "OEQ".

Sections 1.2 to 1.4 below contain information extracted from Orion's public statements.

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5 Refer Appendix 3C - Announcement of Buy-Back Notice dated 17 April 2012 and Appendix 3F Final Share Buy-Back Notice dated 1 May 2013.

6 Refer Share Buy-Back Offer Booklet dated 11 December 2013 and released on ASX on 17 December 2013

DIRECTORS' REPORT

1.2. Orion's Portfolio Details as at 30 June 2014

Asset Weighting

	% of Net Assets	
	2014	**2013**
Australian equities	56%	49%
Agribusiness [7]	20%	19%
Property held for development and resale	17%	15%
Net tax liabilities (current-year and deferred tax assets/liabilities)	-	-
Net cash/other assets and provisions	7%	17%
TOTAL	**100%**	**100%**

Major Holdings in Securities Portfolio

Equities	Fair Value $'million	% of Net Assets	ASX Code	Industry Sector Exposures
Bentley Capital Limited	2.97	34.73%	**BEL**	Diversified Financials
Strike Resources Limited	0.67	7.79%	**SRK**	Materials
TOTAL	**3.64**	**42.52%**		

1.3. Orion's On-Market Share Buy-Backs

During the financial year, Orion bought back 1,908,861 shares on-market at a total cost of $508,798 and at an average buy-back cost (including brokerage) of $0.266 per share pursuant to on-market share buy-backs announced on 5 August 2013[8] and 24 February 2014[9].

1.4. Orion's Assets

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

Bentley Capital Limited (**Bentley**) is a listed investment company with a current exposure to Australian equities.

Orion holds 27.76% (20,513,783 shares) of Bentley's issued ordinary share capital with Queste holding 2.36% (1,740,625 shares) (2013: Orion held 20,513,783 shares (27.97%) and Queste held 1,740,625 shares (2.37%)).

Bentley's asset weighting as at 30 June 2014 was 94.5% Australian equities (30 June 2013: 71.50%), 2.7% intangible assets (30 June 2013: 1.72%) and 2.8% net cash/other assets (30 June 2013: 26.78%).

Bentley had net assets of $17.68 million as at 30 June 2014 (30 June 2013: $18.27million) and generated an after-tax net profit of $0.797 million for the financial year (30 June 2013: $0.34 million net loss).

Bentley has also distributed $0.734 million (via a capital return of one cent per share) and $0.734 million (via a one cent per share fully franked dividend) during the financial year (2013: $1.467million across two capital returns of one cent per share).

Orion received $0.205 million from the capital return and $0.205 million from the fully franked dividend during the financial year (2013: $0.410 million in capital returns).

Queste received $0.017 million from the capital return and $0.017 million from the fully franked dividend during the financial year (2013: $0.035 million in capital returns).

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[7] Agribusiness net assets include olive grove land, olive trees, water licence, buildings and plant and equipment.

[8] Refer Orion's ASX Appendix 3C - Announcement of Buy-Back dated 5 August 2013 and ASX Appendix 3F Final share Buy-Back Notice dated 28 February 2014

[9] Refer Orion's ASX Appendix 3C - Announcement of Additional Buy-Back dated 24 February 2014

DIRECTORS' REPORT

Subsequent to 30 June 2014, Bentley announced its intention to pay a fully-franked dividend of 0.95 cent per share. Orion's and Queste's entitlement under the return of capital is expected to be approximately $194,881 and $16,536 respectively.

Bentley has a long distribution track record, as illustrated below:

Rate per share	Nature	Queste's Entitlement	Orion's Entitlement	Payment Date
One cent	Dividend	$17,406	$205,138	21 March 2014
One cent	Return of capital	$17,406	$205,138	12 December 2013
One cent	Return of capital	$17,406	$205,138	18 April 2013
One cent	Return of capital	$17,406	$205,138	30 November 2012
One cent	Return of capital	$17,406	$205,138	19 April 2012
5.0 cents	Return of capital	$87,031	$1,025,689	14 October 2011
2.4 cents	Dividend (Special)	$41,775	$492,331	26 September 2011
One cent	Dividend	$17,406	$205,138	26 September 2011
One cent	Dividend	$17,406	$205,138	17 March 2011
One cent	Dividend	$17,406	$205,138	30 September 2010
One cent	Dividend	$17,406	$205,138	15 March 2010
One cent	Dividend	$17,406	$205,138	30 October 2009

Shareholders are advised to refer to the 30 June 2014 Full Year Report and monthly NTA disclosures lodged by Bentley for further information about the status and affairs of the company.

Information concerning Bentley may be viewed from its website: www.bel.com.au

Bentley's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "BEL".

(b) Strike Resources Limited (ASX Code: SRK)

Strike Resources Limited (**Strike**) is a resources company with iron ore exploration and development projects in Peru.

Orion holds 16,690,802 shares, being 11.48% of Strike's issued ordinary share capital (2013: 16,690,802 shares and 11.48%).

Information concerning Strike may be viewed from its website: www.strikeresources.com.au

Strike's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "SRK".

(c) Other Assets

Orion also owns:

- a 143 hectare commercial olive grove operation (with approximately 64,500, 15 year old olive tree plantings) located in Gingin, Western Australian; and
- a property held for redevelopment or sale but currently rented out located in Mandurah, Western Australia.

DIRECTORS' REPORT

2. Queste's Other Assets

In addition to the investment in controlled entity, Orion, Queste has:

(i) a direct share investment in Associate entity, Bentley, being 1,740,625 shares (or 2.36% of Bentley's issued ordinary share capital) (2013: 1,740,625 shares and 2.37%);

(ii) other investments of $254,057 (2013: $3,788); and

(iii) a cash holding of $567,929 (2013: $1,051,968).

Queste will continue to look at undertaking investments in listed securities where appropriate to endeavour to achieve a return on investments beyond that afforded by the interest rates applicable on term deposits.

The Company notes that it lodges Monthly and Quarterly Cash Flow Reports on ASX, which may be may be viewed and downloaded from the Company's website: www.queste.com.au or the ASX website (www.asx.com.au) under ASX Code: QUE.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year not otherwise disclosed in this Directors' Report or the Consolidated Financial Statements.

FUTURE DEVELOPMENTS

The Consolidated Entity intends to continue its investment activities in future years. The results of these investment activities depend upon the performance of the underlying companies and securities in which the Consolidated Entity invests. The investments' performances depend on many economic factors and also industry and company specific issues. In the opinion of the Directors, it is not possible or appropriate to make a prediction on the future course of markets, the performance of the Consolidated Entity's investments or the forecast of the likely results of the Consolidated Entity's activities.

ENVIRONMENTAL REGULATION

The Consolidated Entity notes the reporting requirements of both the *Energy Efficiency Opportunities Act 2006* (**EEOA**) and the *National Greenhouse and Energy Reporting Act 2007* (**NGERA**). The *Energy Efficiency Opportunities Act 2006* requires affected companies to assess their energy usage, including the identification, investigation and evaluation of energy saving opportunities, and to report publicly on the assessments undertaken, including what action the company intends to take as a result. The *National Greenhouse and Energy Reporting Act 2007* requires affected companies to report their annual greenhouse gas emissions and energy use.

The Consolidated Entity has determined that it does not operate a recognised facility requiring registration and reporting under the NGERA and in any event, it would fall under the threshold of greenhouse gas emissions required for registration and reporting. Similarly, the Consolidated Entity's energy consumption would fall under the threshold required for registration and reporting under the EEOA.

The Consolidated Entity notes that it is not directly subject to the Clean Energy Act 2011 (Cth) (which has been repealed recently and which carbon pricing mechanism under the same ceases to have effect from 1 July 2014).

The Consolidated Entity is not otherwise subject to any particular or significant environmental regulation under either Commonwealth or State legislation. To the extent that any environmental regulations may have an incidental impact on the Consolidated Entity's operations, the Directors are not aware of any breach by the Consolidated Entity of those regulations.

DIRECTORS' REPORT

DIRECTORS

Information concerning Directors in office during or since the financial year:

Farooq Khan	**Executive Chairman and Managing Director**
Appointed	10 March 1998
Qualifications	BJuris, LLB (*Western Australia*)
Experience	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 sectors. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
Relevant interest in shares	5,954,944 shares[10]
Other current directorships in listed entities	(1) Executive Chairman of Bentley Capital Limited (BEL) (since 2 December 2003) (2) Executive Chairman of Orion Equities Limited (OEQ) (since 23 October 2006) (3) Alternate Director to Victor Ho, who is Non-Executive Director of Strike Resources Limited (SRK) (since 20 January 2014)
Former directorships in other listed entities in past 3 years	Alara Resources Limited (AUQ) (18 May 2007 to 31 August 2012)

Victor P. H. Ho	**Executive Director and Company Secretary**
Appointed	Executive Director since 3 April 2013; Company Secretary since 30 August 2000
Qualifications	BCom, LLB (*Western Australia*), CTA
Experience	Mr Ho has been in executive and company secretarial roles with a number of public listed companies since early 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 been actively involved in the structuring and execution of a number of corporate transactions, capital raisings and capital management matters and has extensive experience in public company administration, corporations' law, stock exchange compliance and shareholder relations.
Relevant interest in shares	17,500 shares
Other current positions held in listed entities	(1) Executive Director and Company Secretary of Orion Equities Limited (OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) (2) Non-Executive Director of Strike Resources Limited (SRK) (since 24 January 2014) (3) Company Secretary of Bentley Capital Limited (BEL) (since 5 February 2004) (4) Company Secretary of Alara Resources Limited (AUQ) (since 4 April 2007)
Former positions in other listed entities in past 3 years	None

[10] Refer also Farooq Khan's Change of Director's Interest Notice dated 30 April 2012

DIRECTORS' REPORT

Yaqoob Khan	**Non-Executive Director**
Appointed	10 March 1998
Qualifications	BCom (*Western Australia*), Master of Science in Industrial Administration (*Carnegie Mellon*)
Experience	After working for several years in the Australian Taxation Office, Mr Khan completed his postgraduate Masters degree and commenced work as a senior executive responsible for product marketing, costing systems and production management. Mr Khan has been an integral member of the team responsible for the pre-IPO structuring and IPO promotion of a number of ASX floats and has been involved in the management of such companies. Mr Khan brings considerable international experience in key aspects of corporate finance and the strategic analysis of listed investments.
Relevant interest in shares	68,345 shares
Other current directorships in listed entities	Non-Executive Director of Orion Equities Limited (OEQ) (since 5 November 1999).
Former directorships in other listed entities in past 3 years	None

At the Balance Date, Yaqoob Khan is a resident overseas.

DIRECTORS' MEETINGS

The following table sets out the numbers of meetings of the Company's Directors held during the financial year (including Directors' circulatory resolutions), and the numbers of meetings attended by each Director of the Company:

Name of Director	Meetings Attended	Maximum Possible Meetings
Farooq Khan	8	8
Yaqoob Khan	8	8
Victor Ho	8	8

There were no meetings of committees of the Board of the Company.

Board Committees

During the financial year and as at the date of this Directors' Report, the Company did not have separate designated Audit or Remuneration Committees. In the opinion of the Directors, in view of the size of the Board and nature and scale of the Consolidated Entity's activities, matters typically dealt with by an Audit or Remuneration Committee are dealt with by the full Board.

REMUNERATION REPORT

This report details the nature and amount of remuneration for each Director and Company Executive (being a company secretary or senior manager) (**Key Management Personnel**) of the Consolidated Entity.

The information provided under headings (1) to (5) below has been audited as required under section 308(3)(C) of the *Corporations Act 2001.*

(1) Remuneration Policy

The Board determines the remuneration structure of all Key Management Personnel having regard to the Consolidated Entity's nature, scale and scope of operations and other relevant factors, including the frequency of Board meetings, length of service, particular experience and qualifications, market practice (including available data concerning remuneration paid by other listed companies in particular companies of comparable size and nature), the duties and accountability of Key Management Personnel and the objective of maintaining a balanced Board which has appropriate expertise and experience, at a reasonable cost to the Company.

Fixed Cash Short Term Employment Benefits: The Key Management Personnel of the Company are paid a fixed amount per annum plus applicable employer superannuation contributions. The Non-Executive Directors of the Company are paid a maximum aggregate base remuneration of $55,000 per annum inclusive of minimum employer superannuation contributions where applicable, to be divided as the Board determines appropriate.

The Board has determined current Company Key Management Personnel remuneration during the year as follows:

(a) Mr Farooq Khan (Executive Chairman and Managing Director) - a base salary of $125,000 (voluntarily reduced to $62,500 with effect on 1 April 2013 to assist the Company in reducing its corporate overheads) per annum plus employer superannuation contributions.

(b) Mr Victor Ho (Executive Director and Company Secretary) - a base salary of $45,000 per annum plus employer superannuation contributions. Mr Ho agreed to join the Board as an Executive Director on 3 April 2013 at no further cost to the Company; and

(c) Mr Yaqoob Khan (Non-Executive Director) - a base fee of $15,000 per annum.

Key Management Personnel can also opt to "salary sacrifice" their cash fees/salary and have them paid wholly or partly as further employer superannuation contributions or benefits exempt from fringe benefits tax.

Special Exertions and Reimbursements: Pursuant to the Company's Constitution, each Director is entitled to receive:

(a) Payment for the performance of extra services or the making of special exertions at the request of the Board and for the purposes of the Company.

(b) Reimbursement of all reasonable expenses (including travelling and accommodation expenses) incurred by a Director for the purpose of attending meetings of the Company or the Board, on the business of the Company, or in carrying out duties as a Director.

Long-Term Benefits: Key Management Personnel have no right to termination payments save for payment of accrued annual leave and long service leave (other than Non-Executive Directors).

Equity Based Benefits: The Company does not presently have any equity (shares or options) based remuneration arrangements for any personnel pursuant to any executive or employee share or option plan or otherwise.

Post-Employment Benefits: The Company does not presently provide retirement benefits to Key Management Personnel.

Performance Related Benefits/Variable Remuneration: The Company does not presently provide short- or long-term incentive/performance based benefits related to the Company's performance to Key Management Personnel, including payment of cash bonuses. The current remuneration of Key Management Personnel is fixed, is not dependent on the satisfaction of a performance condition and is unrelated to the Company's performance.

REMUNERATION REPORT

Service Agreements: The Company does not presently have formal service agreements or employment contracts with any Key Management Personnel.

Financial Performance of Company: There is no relationship between the Company's current remuneration policy and the Company's performance.

The Board does not believe that it is appropriate at this time to implement an equity-based benefit scheme or a performance related/variable component to Key Management Personnel remuneration or remuneration generally linked to the Company's performance but reserves the right to implement these remuneration measures if appropriate in the future (subject to prior shareholder approval where applicable).

In considering the Company's performance and its effects on shareholder wealth, Directors have had regard to the data set out below for the latest financial year and the previous four financial years.

	2014	2013	2012	2011	2010
Profit/(Loss) Before Income Tax ($)	(1,209,082)	(3,453,436)	(5,366,862)	(2,957,447)	55,614
Basic Earnings/(Loss) per Share (cents)	(5.24)	(6.73)	(9.85)	(5.52)	2.50
Dividends Paid ($)	-	-	-	-	-
VWAP Share Price on ASX for financial year ($)	0.14	0.09	0.11	0.15	0.13
Closing Bid Share Price at 30 June ($)	0.14	0.09	0.10	0.12	0.13

(2) Shares held by Key Management Personnel

The number of ordinary shares in the Company during the 2014 reporting period held by Key Management Personnel, including their related parties are set below:

Key Management Personnel	Balance at 30 June 2013	Additions	Received as part Of remuneration	Disposals	Balance at 30 June 2014
Executive Directors:					
Farooq Khan	6,223,044	-	-	-	6,223,044
Victor Ho	17,500	-	-	-	17,500
Non-Executive Director:					
Yaqoob Khan	68,345	-	-	-	68,345

Note: The disclosures of shareholdings above are in accordance with the accounting standards which require disclosure of shares held directly, indirectly or beneficially by each key management person, a close member of the family of that person, or an entity over which either of these persons have, directly or indirectly, control, joint control or significant influence (as defined under Accounting Standard AASB 124 Related Party Disclosures).

REMUNERATION REPORT

(3) Details of Remuneration of Key Management Personnel

Details of the nature and amount of each element of remuneration of each Key Management Personnel of the Company paid or payable by the Consolidated Entity during the financial year are as follows:

Paid by the Company (Queste) to its Key Management Personnel

2014	Performance related	Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	
Key Management Person	%	Cash, salary and commissions $	Non-cash benefit $	Superannuation $	Long service leave $	Shares & Options $	Total $
Executive Directors:							
Farooq Khan	-	53,485	-	5,603	7,091	-	66,179
Victor Ho		45,000		4,162	-	-	49,162
Non-Executive Director:							
Yaqoob Khan	-	15,000	-	-	-	-	15,000

Victor Ho is also Company Secretary of the Company.

2013	Performance related	Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	
Key Management Person	%	Cash, salary and commissions $	Non-cash benefit $	Superannuation $	Long service leave $	Shares & Options $	Total $
Executive Director:							
Farooq Khan	-	97,356	-	9,844	12,019	-	119,219
Victor Ho+	-	45,000	-	4,050	-	-	49,050
Non-Executive Directors:							
Yaqoob Khan	-	15,000	-	-	-	-	15,000
Azhar Chaudhri*	-	11,250	-	-	-	-	11,250
Simon Cato*	-	11,250	-	1,013	-	-	12,263

+ Company Secretary, Mr Ho, was appointed Executive Director on 3 April 2013

* Messrs Chaudhri and Cato resigned as Non-Executive Directors on 3 April 2013

Paid by Orion to Key Management Personnel (who are also KMP of Queste)

2014		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	
Key Management Personnel	Performance related %	Cash, salary and commissions $	Non-cash benefit $	Superannuation $	Long service leave $	Shares & Options $	Total $
Executive Directors:							
Farooq Khan	-	213,942	-	23,125	36,058	-	273,125
Victor Ho	-	75,000	-	6,937	-	-	81,937
Non-Executive Director:							
Yaqoob Khan	-	35,000	-	-	-	-	35,000

REMUNERATION REPORT

2013		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	
Key Management Personnel	Performance related %	Cash, salary and commissions $	Non-cash benefit $	Superannuation $	Long service leave $	Shares & Options $	Total $
Executive Directors:							
Farooq Khan	-	229,106	-	16,470	26,924	-	272,500
Victor Ho	-	75,000	-	6,750	-	-	81,750
William Johnson#	-	39,580	-	3,535	41,998	-	85,113
Non-Executive Director:							
Yaqoob Khan	-	25,000	-	-	-	-	25,000

William Johnson transitioned from Executive Director to Non-Executive Director of OEQ on 25 March 2013 and retired as a Director of OEQ on 3 May 2013.

Victor Ho is also Company Secretary of Orion.

The tables above may be aggregated to arrive at the aggregate amount of each element of remuneration of each Key Management Personnel paid or payable by the Consolidated Entity (ie. Queste and Orion) during the financial year.

(4) Other KMP Transactions

On 1 June 2014, Orion subsidiary, Silver Sands Developments Pty Ltd (SSD) entered into a fixed term standard form residential tenancy agreement with Orion (and Queste) Director, Farooq Khan, to rent out Orion's Property Held for Development or Resale. The lease is for a term of 12 months with the monthly rental being $3,683.

(5) Other Benefits Provided to Key Management Personnel

No Key Management Personnel has during or since the end of the financial year, received or become entitled to receive a benefit, other than a remuneration benefit as disclosed above, by reason of a contract made by the Company or a related entity with the Director or with a firm of which he is a member, or with a Company in which he has a substantial interest.

(6) Voting and Comments on the Remuneration Report at the 2013 AGM

At the Company's 2013 AGM, a resolution to adopt the 2013 Remuneration Report was not passed by a majority of shareholders. This constitutes a "first strike" under the executive remuneration related provisions of the Corporations Act. The Board has reviewed the Company's remuneration policy and believes that the Company's remuneration structure and practices are appropriate as detailed in this Remuneration Report.

This concludes the audited Remuneration Report.

DIRECTORS' REPORT

DIRECTORS' AND OFFICERS' INSURANCE

The Company and Orion each insure Directors and Officers against liability they may incur in respect of any wrongful acts or omissions made by them in such capacity (to the extent permitted by the Corporations Act 2001) (**D&O Policy**). Details of the amount of the premium paid in respect of the insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

DIRECTORS DEEDS

In addition to the rights of indemnity provided under the Company's Constitution (to the extent permitted by the Corporations Act), the Company has also entered into a deed with each of the Directors and the Company Secretary (**Officer**) to regulate certain matters between the Company and each Officer, both during the time the Officer holds office and after the Officer ceases to be an officer of the Company, including the following matters:

(a) The Company's obligation to indemnify an Officer for liabilities or legal costs incurred as an officer of the Company (to the extent permitted by the Corporations Act); and

(b) Subject to the terms of the deed and the Corporations Act, the Company may advance monies to the Officer to meet any costs or expenses of the Officer incurred in circumstances relating to the indemnities provided under the deed and prior to the outcome of any legal proceedings brought against the Officer.

LEGAL PROCEEDINGS ON BEHALF OF CONSOLIDATED ENTITY

No person has applied for leave of a court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceedings to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of such proceedings. The Consolidated Entity was not a party to any such proceedings during and since the financial year.

AUDITOR

Details of the amounts paid or payable to the auditor (BDO Audit (WA) Pty Ltd) for audit and non-audit services (tax services) provided during the financial year are set out below:

Consolidated Entity			Company		
Audit & Review Fees $	Non-Audit Services $	Total $	Audit & Review Fees $	Non-Audit Services $	Total $
59,612	6,569	66,181	24,040	2,660	26,700

The Board is satisfied that the provision of non-audit services by the auditor during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The Board is satisfied that the nature of the non-audit services disclosed above did not compromise the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants: Professional Independence, including reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards. BDO Audit (WA) Pty Ltd continues in office in accordance with section 327B of the *Corporations Act 2001*.

DIRECTORS' REPORT

AUDITORS' 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 15. This relates to the Audit Report, where the Auditors state that they have issued an independence declaration.

EVENTS SUBSEQUENT TO BALANCE DATE

The Directors are not aware of any other matters or circumstances at the date of this Directors' Report, other than those referred to in this Directors' Report (in particular, in Review of Operations) or the financial statements or notes thereto (in particular Note 29, that have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Company in subsequent financial years.

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

Farooq Khan
Chairman

Victor Ho
Executive Director and Company Secretary

29 August 2014

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Australia

DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF QUESTE COMMUNICATIONS LTD

As lead auditor of Queste Communications Ltd for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Queste Communications Ltd and the entities it controlled during the period.

Brad McVeigh

Director

BDO Audit (WA) Pty Ltd

Perth, 29 August 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2014

	Note	2014 $	2013 $
Revenue	2	109,275	200,020
Other			
Share of Net Profit of Associate		256,768	-
Other Revenue		12,619	2,804
Total Revenue		**378,662**	**202,824**
Expenses	2		
Net Loss on Financial Assets at Fair Value through Profit or Loss		(117,649)	(1,469,595)
Share of Net Loss of Associate		-	(102,158)
Cost of Goods Sold in relation to Olive Oils Operations		(11,209)	(52,867)
Olive Oil Operation Expenses		(183,073)	(483,071)
Land Operation Expenses		(7,690)	(165,583)
Personnel Expenses		(756,539)	(933,496)
Occupancy Expenses		(129,127)	(99,418)
Corporate Expenses		(47,037)	(44,203)
Finance Expenses		(3,589)	(2,381)
Administration Expenses		(220,976)	(192,876)
Loss Before Income Tax		**(1,098,227)**	**(3,342,824)**
Income Tax Expense	3	-	(57,300)
Loss for the Year from Continuing Operations		**(1,098,227)**	**(3,400,124)**
Loss for the Year from Discontinued Operations	4	(110,855)	(110,612)
Loss for the Year		**(1,209,082)**	**(3,510,736)**
Other Comprehensive Income			
Revaluation of Assets, Net of Tax		-	(64,154)
Total Comprehensive Loss for the Year		**(1,209,082)**	**(3,574,890)**
Profit/(Loss) Attributable to:			
Owners of Queste Communications Ltd		(1,540,266)	(2,014,600)
Non-Controlling Interest		331,184	(1,496,136)
		(1,209,082)	**(3,510,736)**
Total Comprehensive Income for the Year is Attributable to:			
Continuing operations		(1,429,411)	(1,968,142)
Discontinuing operations	4	(110,855)	(110,612)
Owners of Queste Communications Ltd		**(1,540,266)**	**(2,078,754)**
Continuing operations		331,184	(1,496,136)
Discontinuing operations		-	-
Non-Controlling Interest		**331,184**	**(1,496,136)**
		(1,209,082)	**(3,574,890)**
Basic Loss per Share (cents) from continuing operations	5	**(4.86)**	**(6.36)**
Basic Loss per Share (cents) from discontinuing operations		**(0.38)**	**(0.37)**
Basic Loss per Share (cents) attributable to the ordinary equity holders of the Company		**(5.24)**	**(6.73)**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2014

	Note	2014	2013
Current Assets		**$**	**$**
Cash and Cash Equivalents	**6**	1,169,619	2,747,596
Financial Assets at Fair Value through Profit or Loss	**7**	1,172,419	723,873
Trade and Other Receivables	**8**	154,771	209,600
Inventories	**9**	-	140,622
Other Current Assets	**10**	6,124	5,854
Total Current Assets		**2,502,933**	**3,827,545**
Non Current Assets			
Trade and Other Receivables	**8**	20,454	53,085
Property held for Development or Resale	**9**	1,490,000	1,490,000
Investment in Associate Entity	**11**	4,119,071	4,307,391
Property, Plant and Equipment	**12**	1,091,646	1,154,801
Olive Trees	**13**	65,500	65,500
Intangible Assets	**14**	575,437	650,433
Deferred Tax Asset	**17**	98,657	95,009
Total Non Current Assets		**7,460,765**	**7,816,219**
Total Assets		**9,963,698**	**11,643,764**
Current Liabilities			
Trade and Other Payables	**15**	165,760	149,981
Provisions	**16**	117,357	174,989
Total Current Liabilities		**283,117**	**324,970**
Non Current Liabilities			
Deferred Tax Liability	**17**	98,657	95,009
Total Non Current Liabilities		**98,657**	**95,009**
Total Liabilities		**381,774**	**419,979**
Net Assets		**9,581,924**	**11,223,785**
Equity			
Issued Capital	**18**	6,268,445	6,192,427
Reserves	**19**	3,106,232	2,257,792
Accumulated Losses		(3,313,407)	(1,773,141)
Parent Interest		**6,061,270**	**6,677,078**
Non-Controlling Interest	**20**	3,520,654	4,546,707
Total Equity		**9,581,924**	**11,223,785**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2014

		Issued Capital $	Reserves $	Accumulated Losses $	Non-Controlling Interest $	Total $
Balance at 1 July 2012		**6,192,427**	**2,321,946**	**(6,762)**	**6,441,748**	**14,949,359**
Loss for the Year		-	-	(2,014,600)	(1,496,136)	(3,510,736)
Other Comprehensive Income		-	(64,154)	-	-	(64,154)
Total Comprehensive Loss for the Year		**-**	**(64,154)**	**(2,014,600)**	**(1,496,136)**	**(3,574,890)**
Transactions with Owners in their capacity as Owners:						
Transactions with Non-Controlling Interest		-	-	248,221	(398,905)	(150,684)
Balance at 30 June 2013		**6,192,427**	**2,257,792**	**(1,773,141)**	**4,546,707**	**11,223,785**
Balance at 1 July 2013		**6,192,427**	**2,257,792**	**(1,773,141)**	**4,546,707**	**11,223,785**
Profit/(Loss) for the Year		-	-	(1,540,266)	331,184	(1,209,082)
Other Comprehensive Income		-	-	-	-	-
Total Comprehensive Loss for the Year		**-**	**-**	**(1,540,266)**	**331,184**	**(1,209,082)**
Transactions with Owners in their capacity as Owners:						
Transactions with Non-Controlling Interest	**19**	-	848,440	-	(1,357,237)	(508,797)
Share Buy-Back	**18**	(108,757)	-	-	-	(108,757)
Partly Paid Shares	**18**	184,775	-	-	-	184,775
Balance at 30 June 2014		**6,268,445**	**3,106,232**	**(3,313,407)**	**3,520,654**	**9,581,924**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2014

	Note	2014 $	2013 $
Cash Flows from Operating Activities			
Receipts from Customers		240,183	412,545
Dividends Received		222,770	306
Interest Received		75,125	124,842
Payments to Suppliers and Employees		(1,362,441)	(1,796,391)
Interest Paid		(375)	(367)
Sale of Financial Assets at Fair Value through Profit or Loss		-	1,624,132
Purchase of Financial Assets at Fair Value through Profit or Loss		(250,000)	-
Net Cash Provided By/(Used In) Operating Activities	**6**	**(1,074,738)**	**365,067**
Cash Flows from Investing Activities			
Purchase of Plant and Equipment		(43,004)	(5,343)
Proceeds from Sale of Plant and Equipment		-	5,513
Return of Capital Received		222,544	445,089
Proceeds from Sale of Investment Securities		-	19,671
Purchase of Investment Securities		(250,000)	(91,254)
Net Cash Provided by Investing Activities		**(70,460)**	**373,676**
Cash Flows from Investing Activities			
Queste Off-Market Share Buy Back	**18**	(108,756)	-
Orion On-Market Share Buy Back	**19**	(508,798)	-
Proceeds from calls on Partly Paid Shares		184,775	-
Net Cash Used in Financing Activities		**(432,779)**	**-**
Net Increase /(Decrease) in Cash Held		**(1,577,977)**	**738,743**
Cash and Cash Equivalents at Beginning of Financial Year		2,747,596	2,008,853
Cash and Cash Equivalents at End of Financial Year	**6**	**1,169,619**	**2,747,596**

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

1. SUMMARY OF ACCOUNTING POLICIES

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statement includes the financial statements for the Consolidated Entity consisting of Queste Communications Ltd and its subsidiaries. Queste Communications Ltd is a company limited by shares, incorporated in Western Australia, Australia and whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

1.1. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the *Corporations Act 2001*, as appropriate for for-profit entities.

Compliance with IFRS

The consolidated financial statements of the Consolidated Entity, Queste Communications Ltd, also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

1.2. Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of Queste Communications Ltd as at 30 June 2014 and the results of its subsidiary for the year then ended. Queste Communications Ltd and its subsidiary are referred to in this financial statement as the Consolidated Entity.

Subsidiaries are all entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. Information on the controlled entity is contained in Note 22 to the financial statements.

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

All controlled entities have a June financial year-end. All inter-company balances and transactions between entities in the Consolidated Entity, including any unrealised profits or losses, have been eliminated on consolidation.

The Consolidated Entity treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Consolidated Entity. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Queste Communications Ltd.

Changes in Ownership Interests

When the Consolidated Entity ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Consolidated Entity has directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

1.3. Investments in Associates

Associates are all entities over which the Consolidated Entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates in the consolidated financial statements are accounted for using the equity method of accounting, after initially being recognised at cost. Under this method, the Consolidated Entity's share of the post-acquisition profits or losses of associates are recognised in the consolidated Statement of Profit or Loss and Other Comprehensive Income, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment (refer Note 11).

Dividends receivable from associates are recognised in the Company's Statement of Profit or Loss and Other Comprehensive Income, while in the consolidated financial statements they reduce the carrying amount of the investment. When the Consolidated Entity's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Consolidated Entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Consolidated Entity and its associates are eliminated to the extent of the Consolidated Entity's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity. All associated entities have a June financial year-end.

1.4. Operating Segment

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (CODM). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

1.5. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. All revenue is stated net of the amount of goods and services tax (**GST**) except where the amount of GST incurred is not recoverable from the Australian Tax Office. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods and Disposal of Assets
Revenue from the sale of goods and disposal of other assets is recognised when the Consolidated Entity has passed control of the goods or other assets to the buyer.

Contributions of Assets
Revenue arising from the contribution of assets is recognised when the Consolidated Entity gains control of the asset or the right to receive the contribution.

Interest Revenue
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Dividend Revenue
Dividend revenue is recognised when the right to receive a dividend has been established. The Consolidated Entity brings dividend revenue to account on the applicable ex-dividend entitlement date.

Other Revenues
Other revenues are recognised on a receipts basis.

1.6. Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each taxing jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses (if applicable).

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each taxing jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The amount of deferred tax assets benefits brought to account or which may be realised in the future, is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in other comprehensive income or equity are also recognised directly in other comprehensive income or equity.

1.7. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

1.8. Employee Benefits

Short-term obligations
Provision is made for the Consolidated Entity's liability for employee benefits arising from services rendered by employees to the Balance Date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year from the Balance Date have been measured at the present value of the estimated future cash outflows to be made for those benefits. Employer superannuation contributions are made by the Consolidated Entity in accordance with statutory obligations and are charged as an expense when incurred.

Other long-term employee benefit obligations
The liability for long-service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

1.9. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts (if any) are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

1.10. Receivables

Trade and other receivables are recorded at amounts due less any provision for doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when considered non-recoverable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

1.11. Dividends Policy

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at the Balance Date.

1.12. Investments and Other Financial Assets and Liabilities

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss
A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: *Recognition and Measurement of Financial Instruments*. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

Available for sale financial assets
Available for sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any other category. Realised and unrealised gains and losses arising from changes in the fair value of these assets are recognised in equity in the period in which they arise.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities
Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

At each reporting date, the Consolidated Entity assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are recognised in the profit and loss.

The Consolidated Entity's investment portfolio (comprising listed and unlisted securities) is accounted for as "financial assets at fair value through profit and loss".

1.13. Fair value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the Balance Date. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, including but not limited to recent arm's length transactions, reference to similar instruments and option pricing models. The Consolidated Entity may use a variety of methods and makes assumptions that are based on market conditions existing at each Balance Date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for other financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Consolidated Entity for similar financial instruments.

The Consolidated Entity's investment portfolio (comprising listed and unlisted securities) is accounted for as a "financial assets at fair value through profit and loss" and is carried at fair value based on the quoted last bid prices at the reporting date (refer Note 7).

1.14. Property held for Resale

Property held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development are expensed. Profits are brought to account on the signing of an unconditional contract of sale.

1.15. Property, Plant and Equipment

All plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Freehold Land is not depreciated. Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. It is shown at fair value, based on periodic valuations by external independent valuers.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present value in determining recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Rate**	**Method**
Buildings	7.5%	Diminishing Value
Plant and Equipment	5-75%	Diminishing Value
Leasehold Improvements	7.5-15%	Diminishing Value

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit and loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

1.16. Impairment of Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Consolidated Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.17. Payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

1.18. Provisions

Provisions for legal claims, service warranties and make good obligations are made where the Consolidated Entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

1.19. Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

1.20. Earnings Per Share

Basic Earnings per share
Is determined by dividing the operating result after income tax by the weighted average number of ordinary shares on issue during the financial period.

Diluted Earnings per share
Adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial period.

1.21. Inventories

Raw materials and stores, work in progress and finished goods
Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. They include the transfer from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw materials. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale/capitalisation of borrowing costs
Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

1.22. Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Consolidated Entity as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit or loss on a straight-line basis over the period of the lease.

1.23. Intangible Assets

The intangible assets acquired in a business combination are initially measured at its purchase price as its fair value at the acquisition date. The revaluation method states that after the initial recognition, an intangible asset shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated amortisation and any subsequent accumulated impairment losses. For the purpose of revaluations under AASB 138: *Intangible Assets*, fair value shall be determined by reference to an active market. Revaluations shall be made with such regularity that at the end of the reporting period the carrying amount of the asset does not differ materially from its fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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1.24. Biological Assets

Biological assets are initially, and subsequent to initial recognition, measured at their fair value less any estimated point-of-sale costs. Gains or losses arising on initial or subsequent recognition are accounted for via the profit or loss for the period in which the gain or loss arises. Agricultural produce harvested from the biological assets shall be measured at its fair value less estimated point-of-sale costs at the point of harvest.

1.25. Comparative Figures

Certain comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.26. Critical accounting judgements and estimates

The preparation of the consolidated financial statements requires Directors to make judgements and estimates and form assumptions that affect how certain assets, liabilities, revenue, expenses and equity are reported. At each reporting period, the Directors evaluate their judgements and estimates based on historical experience and on other various factors they believe to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities (that are not readily apparent from other sources, such as independent valuations). Actual results may differ from these estimates under different assumptions and conditions.

Non-current assets estimated at fair value
The Consolidated Entity carries its freehold land and intangible assets (water licence) at fair value, with changes in the fair values recognised in equity. It also carries inventory (land held for development and resale) and olive trees at fair value, with changes in the fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income. Independent valuations are obtained for these non-current assets at least annually.

Estimation of useful lives of assets
The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations, market, economic, legal environment or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Indefinite life of intangible assets
The Consolidated Entity tests annually or more frequently, if events or changes in circumstances indicate impairment and whether the indefinite life of intangible assets has suffered any impairment, in accordance with the Note 1.16.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

1.27. Summary of Accounting Standards Issued but not yet Effective

The following new Accounting Standards and Interpretations (which have been released but not yet adopted) have no material impact on the Consolidated Entity's financial statements or the associated notes therein.

AASB reference	Title and Affected Standard(s)	Nature of Change	Application date
AASB 9 (issued December 2009 and amended December 2010)	Financial Instruments	Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated. Under AASB 9, there are three categories of financial assets: • Amortised cost • Fair value through profit or loss • Fair value through other comprehensive income. AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.	1 July 2017
IFRS 15 (issued June 2014)	Revenue from contracts with customers	An entity will recognise revenue to depict the transfer of promised good or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards as is currently the case under IAS 18 Revenue.	Annual reporting periods beginning on or after 1 July 2017
AASB 2012-6 (issued September 2012)	Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures	Defers the effective date of AASB 9 to 1 January 2015. Entities are no longer required to restate comparatives on first time adoption. Instead, additional disclosures on the effects of transition are required.	1 July 2015
AASB 2013-5 (issued August 2013)	Amendments to Australian Accounting Standards -Investment Entities	The amendment defines an 'investment entity' and requires a parent that is an investment entity to measure its investments in particular subsidiaries at fair value through profit or loss in its consolidated and separate financial statements. The amendment prescribes three criteria that must be met in order for an entity to be defined as an investment entity, as well as four 'typical characteristics' to consider in assessing the criteria. The amendment also introduces disclosure requirements for investment entities into AASB 12 Disclosure of Interests in Other Entities and amends AASB 127 Separate Financial Statements.	1 July 2014
AASB 2013-3 (issued June 2013)	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets	Clarifies the disclosure requirements for cash-generating units (CGUs) with significant amounts of goodwill and intangibles with indefinite useful lives and also adds additional disclosures when recoverable amount is determined based on fair value less costs to sell.	1 July 2014

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

2. LOSS FOR THE YEAR

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

	2014	2013
(a) Revenue	**$**	**$**
Revenue from Sale of Olive Oils	5,298	34,725
Rental Revenue	44,200	44,438
Dividend Revenue	226	306
Interest Revenue	59,551	120,551
	109,275	200,020
Other		
Share of Net Profit of Associate	256,768	-
Other Revenue	12,619	2,804
	378,662	**202,824**
(b) Expenses		
Net Loss on Financial Assets at Fair Value through Profit or Loss	117,649	1,469,595
Share of Net Loss of Associate	-	102,158
Olive Oil Operations		
Cost of Goods Sold	11,209	52,867
Impairment and Depreciation of Olive Oil Assets	64,602	334,657
Net Loss on disposal of brand, equipment and inventory	66,196	-
Other Expenses	52,275	148,414
Land Operations		
Loss on Revaluation of Land held for Development or Resale	-	150,000
Other Expenses	7,690	15,583
Salaries, Fees and Employee Benefits	756,539	933,496
Occupancy Expenses	129,127	99,418
Finance Expenses	3,589	2,381
Corporate Expenses		
ASX Fees	29,224	26,794
Share Registry	14,346	12,681
Other Corporate Expenses	3,467	4,728
Administration Expenses		
Professional Fees	71,194	21,194
Audit Fees	59,612	65,839
Legal Fees	66,051	34,586
Realisation Cost of Investment Portfolio Written Back	-	(15,355)
Depreciation	9,089	7,340
Other Administration Expenses	15,030	79,272
	1,476,889	**3,545,648**

3. INCOME TAX EXPENSE

	Note	2014	2013
		$	**$**
The components of Tax Expense comprise:			
Current Tax		-	-
Deferred Tax	**17**	-	57,300
		-	**57,300**
Income tax expense is attributable to:			
Loss from continuing operations		**-**	57,300
Loss from discontinuing operations		**-**	-
		-	**57,300**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

3. **INCOME TAX EXPENSE (continued)**	**2014** **$**	**2013** **$**
The prima facie tax on Operating Profit before Income Tax is reconciled to the income tax as follows:		
Prima facie tax payable on Operating Profit before Income Tax at 30% (2013: 30%)	**(362,725)**	**(1,036,031)**
Adjust tax effect of:		
Other Assessable Income	95,405	81,258
Non-Deductible Expenses	20,093	419,365
Share of Net Loss of Associate	(77,031)	30,647
Current Year Tax Losses not brought to account	324,258	562,061
Income tax attributable to entity	**-**	**57,300**

Deferred Tax recognised directly in Other Comprehensive Income		
Revaluations of Land & Intangible Assets	**-**	**57,300**

Unrecognised Deferred Tax balances		
Unrecognised Deferred Tax Asset - Revenue Losses	3,302,461	2,740,625
Unrecognised Deferred Tax Asset - Capital Losses	3,119	246,719
	3,305,580	**2,987,344**

The above deferred tax assets have not been recognised in respect of the above items because it is not probable that future taxable profit will be available against which the Consolidated Entity can utilise the benefits. Revenue and capital tax losses are subject to relevant statutory tests.

4. DISCONTINUED OPERATIONS

On 30 June 2014, the Consolidated Entity sold a segment of the olive oil operations as a going concern. The brand, equipment and oil inventory relating to the segment were sold for a total of $101,993 in cash.

The Operating Loss from this discontinued operations are:	**2014** **$**	**2013** **$**
Revenue from Sale of Olive Oil	191,213	236,242
Olive Oil Operation Expenses		
Cost of Goods Sold	(222,435)	(273,396)
Impairment and Depreciation of Olive Oil Assets	(2,924)	(27,028)
Other Expenses	(76,709)	(46,430)
Loss for the Year from Discontinued Operations	**(110,855)**	**(110,612)**

The carrying amount of assets in this discontinued operations are summarised as follows:		
Current Assets		
Inventories	69,557	113,648
Plant and Equipment	23,637	17,469
Non-Current Assets		
Intangibles	74,996	74,996
Total Assets	**168,190**	**206,113**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

4. DISCONTINUED OPERATIONS (continued)

The Cash Flows generated from the discontinued operations are as follows:

	2014 $	2013 $
Operating Activates		
Receipts from Customers	82,345	217,247
Payments to Suppliers and Employees	(299,144)	(319,826)
Net Cash Used in Discontinued Operations	**(214,785)**	**(100,566)**

5. LOSS PER SHARE

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

	2014 $	2013 $
Loss per share from Continuing Operations		
Loss after Income Tax from Continuing Operations	(1,098,227)	(3,400,124)
Loss after Income Tax from Discontinuing Operations	(331,184)	1,496,136
Loss after tax attributable to the ordinary equity holders of the Company	(1,429,411)	(1,903,988)
Loss per share from Discontinuing Operations		
Loss after Income Tax from Discontinuing Operations	(110,855)	(110,612)
	Number of shares	
Weighted Average Number of Ordinary Shares used in calculating basic loss per share	29,390,385	29,927,379
	2014 cents	**2013 cents**
Basic Loss per Share		
From continuing operations attributable to the ordinary equity holders of the Company	**(4.86)**	**(6.36)**
From discontinued operations	**(0.38)**	**(0.37)**
Total basic loss per share attributable to the ordinary equity holders of the Company	**(5.24)**	**(6.73)**

Under AASB 133 Earnings per Share, potential ordinary shares such as partly paid shares will only be treated as dilutive when their conversion to ordinary shares would increase the loss per share. Diluted Loss per Share is not calculated as it does not increase the loss per share.

6. CASH AND CASH EQUIVALENTS

(a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2014 $	2013 $
Cash at Bank and in Hand	1,119,619	647,596
Short-Term Deposits	50,000	2,100,000
	1,169,619	**2,747,596**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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6. CASH AND CASH EQUIVALENTS (continued)

(b) Reconciliation of Operating Profit after Income Tax to Net Cash used in Operating Activities	2014 $	2013 $
Loss after Income Tax	**(1,209,082)**	**(3,510,736)**
Add Non-Cash Items:		
Depreciation	76,615	225,775
Write Off of Fixed Assets	5,908	16,954
Net Loss on Financial Assets at Fair Value through Profit or Loss	51,453	3,113,398
Loss on Land held for Development or Resale	-	150,000
Loss on Revaluation of Land	-	101,296
Impairment of Brand Name	-	25,000
Share of Net (Profit)/Loss of Associate	(256,768)	102,158
Changes in Assets and Liabilities:		
Financial Assets at Fair Value through Profit or Loss	(250,000)	(19,671)
Trade and Other Receivables	87,460	100,981
Inventories	140,622	136,973
Other Non-Current Assets from Discontinued Operations	98,633	-
Other Current Assets	(270)	41
Investments accounted for using the Equity Method	222,544	-
Trade and Other Payables	15,779	(106,661)
Provisions	(57,632)	(27,741)
Deferred Tax	-	57,300
	(1,074,738)	**365,067**

(c) Risk Exposure

The Consolidated Entity's exposure to interest rate risk is discussed in Note 24. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2014 $	2013 $
Current		
Listed Investments at Fair Value	672,659	723,873
Unlisted Investments at Fair Value	499,760	-
	1,172,419	**723,873**

Risk Exposure

The Consolidated Entity's exposure to price risk is discussed in Note 24.

8. TRADE AND OTHER RECEIVABLES

	2014 $	2013 $
Current		
Trade Receivables	129,235	18,995
Interest Receivable	3,420	16,261
Receivable from Related Parties	3,148	1,487
Other Receivables	18,968	172,857
	154,771	**209,600**
Non Current		
Bonds and Guarantees	**20,454**	**53,085**

Risk Exposure

The Consolidated Entity's exposure to credit and interest rate risks is discussed in Note 24.

Impaired Trade Receivables

None of the Consolidated Entity's receivables are past due and impaired.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. INVENTORIES	**2014**	**2013**
	$	**$**
Current		
Bulk Oils - at cost	-	57,716
Packaged Oils - at cost	-	82,906
	-	**140,622**
Non Current		
Property held for Development or Resale	3,797,339	3,797,339
Written down	(2,307,339)	(2,307,339)
	1,490,000	**1,490,000**

Property held for development or resale was last valued by an independent qualified valuer (an Associate Member of the Australian Property Institute) as at 30 June 2013. This carrying value has been maintained at Directors' valuation as at 30 June 2014 on the basis that the property has not been impaired.

10. OTHER CURRENT ASSETS	**2014**	**2013**
	$	**$**
Prepayments	**6,124**	**5,854**

11. INVESTMENT IN ASSOCIATE ENTITY			**Carrying Amount**	
	Ownership Interest		**2014**	**2013**
	2014	**2013**	**$**	**$**
Bentley Capital Limited	30.12%	30.34%	**4,119,071**	**4,307,391**

	2014	2013
Movement in Investment		
Opening Balance	4,307,391	4,854,637
Share of Net Profit/(Loss) after tax	256,768	(102,158)
Dividends received	(222,544)	-
Returns of Capital Received	(222,544)	(445,088)
Closing Balance	**4,119,071**	**4,307,391**
Fair Value of Listed Investment in Associate	**3,226,889**	**3,226,889**
Net Asset Value of Investment	**5,323,365**	**5,542,510**
Summarised statement of profit or loss and other comprehensive income		
Revenue	2,091,248	942,214
Expenses	(1,298,338)	(1,278,926)
Profit/(Loss) before income tax	**792,910**	**(336,712)**
Income tax expense	3,698	-
Profit/(Loss) after income tax	**796,608**	**(336,712)**
Other comprehensive income	-	-
Total comprehensive income	**796,608**	**(336,712)**
Summarised statement of financial position		
Current assets	17,384,218	18,121,343
Non-current assets	878,452	465,099
Total assets	**18,262,670**	**18,586,442**
Current liabilities	206,914	210,376
Non-current liabilities	379,448	107,950
Total liabilities	**586,362**	**318,326**
Net Assets	**17,676,308**	**18,268,116**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

11. INVESTMENT IN ASSOCIATE ENTITY (continued)

	2014 $	2013 $
Lease Commitments		
Not longer than one year	**73,333**	**48,582**

12. PROPERTY, PLANT AND EQUIPMENT

	Freehold Land	Buildings	Plant and Equipment	Leasehold Improvements	Total
2014	$	$	$	$	$
At Cost	867,889	117,875	1,381,844	5,285	2,372,893
Revaluation	(101,296)	-	-	-	(101,296)
Accumulated Depreciation	-	(50,208)	(1,128,450)	(1,293)	(1,179,951)
	766,593	**67,667**	**253,394**	**3,992**	**1,091,646**
2013					
At Cost	861,214	117,876	1,435,354	44,264	2,458,708
Revaluation	(101,296)	-	-	-	(101,296)
Accumulated Depreciation	-	(44,723)	(1,118,982)	(38,906)	(1,202,611)
	759,918	**73,153**	**316,372**	**5,358**	**1,154,801**
Movements in Carrying Amounts					
AT 1 JULY 2012	999,901	79,084	552,339	6,359	1,637,683
Revaluation	(239,983)	-	-	-	(239,983)
Additions	-	-	5,343	-	5,343
Disposal	-	-	(5,513)	-	(5,513)
Write-Offs	-	-	(16,954)	-	(16,954)
Depreciation expense	-	(5,931)	(218,843)	(1,001)	(225,775)
AT 30 JUNE 2013	**759,918**	**73,153**	**316,372**	**5,358**	**1,154,801**
AT 1 JULY 2013	**759,918**	**73,153**	**316,372**	**5,358**	**1,154,801**
Additions	6,675	-	32,180	4,149	43,004
Disposal	-	-	(23,639)	-	(23,639)
Write-Offs	-	-	(1,022)	(4,884)	(5,906)
Depreciation expense	-	(5,486)	(70,498)	(630)	(76,614)
AT 30 JUNE 2014	**766,593**	**67,667**	**253,393**	**3,993**	**1,091,646**

Land was valued by an independent qualified valuer (an Associate Member of the Australian Property Institute) as at 30 June 2013. This carrying value has been maintained at Directors' valuation as at 30 June 2014 on the basis that the Land has not been impaired.

13. OLIVE TREES

	2014 $	2013 $
Olive Trees - at cost	300,000	300,000
Impairment	(234,500)	(234,500)
	65,500	**65,500**

There are approximately 64,500 15 year old olive trees on Orion's 143 hectare Olive Grove located in Gingin, Western Australia. The fair value of the trees is at the Directors' valuation having regard to, amongst other matters, replacement cost and the trees commercial production qualities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

14. INTANGIBLE ASSETS

	Water Licence $	Brand Name $	Total $
2014			
At Cost	250,000	-	250,000
Revaluation/(Impairment)	325,437	-	325,437
	575,437	**-**	**575,437**
2013			
At Cost	250,000	99,996	349,996
Revaluation/(Impairment)	325,437	(25,000)	300,437
	575,437	**74,996**	**650,433**
Movements in Carrying Amounts			
AT 1 JULY 2012	**627,750**	**99,996**	727,746
Revaluation	(52,313)	-	(52,313)
Impairment	-	(25,000)	(25,000)
AT 30 JUNE 2013	**575,437**	**74,996**	**650,433**
AT 1 JULY 2013	**575,437**	**74,996**	**650,433**
Disposal	-	(74,996)	(74,996)
AT 30 JUNE 2014	**575,437**	**-**	**575,437**

The Water Licence pertaining to the Olive Grove property in Gingin, Western Australia was valued by an independent qualified valuer (an Associate Member of the Australian Property Institute) as at 30 June 2013. This carrying value has been maintained at Directors' valuation as at 30 June 2014 on the basis that the Water Licence has not been impaired.

The Brand Name pertains to the Dandaragan Estate Olive Oil brand. The Consolidated Entity sold the brand name, equipment and oil inventory as a going concern on 30 June 2914 (Refer Note 4).

15. TRADE AND OTHER PAYABLES

	2014 $	2013 $
Current		
Trade Payables	32,500	26,687
Dividend Payable	28,302	28,302
GST Payable	17,533	9,565
Other Payables and Accrued Expenses	87,425	85,427
	165,760	**149,981**

Risk Exposure

The Consolidated Entity's exposure to risks arising from current payables is set out in Note 24.

16. PROVISIONS

	2014 $	2013 $
Current		
Employee Benefits - Annual Leave	36,196	41,997
Employee Benefits - Long Service Leave	81,161	132,992
	117,357	**174,989**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

16. PROVISIONS (continued)

Amounts not expected to be settled within 12 months
The provision for annual leave and long service leave is presented as current since the Consolidated Entity does not have an unconditional right to defer settlement for any of these employee benefits. Long service leave covers all unconditional entitlements where employees have completed the required period of service and also where employees are entitled to pro-rata payments in certain circumstances.

Based on past experience, the employees have never taken the full amount of long service leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months:

	2014 $	2013 $
Leave obligations expected to be settled after 12 months	**81,161**	**132,992**

17. DEFERRED TAX

	2014	2013
Deferred Tax Assets - Non Current		
Employee Benefits & Accruals	60,452	73,073
Fair Value Losses	38,205	21,936
	98,657	**95,009**
Deferred Tax Liabilities - Non Current		
Fair Value Gains	97,631	90,131
Other	1,026	4,878
	98,657	**95,009**

(a) Movements - Deferred Tax Assets	**Employee Benefits $**	**Fair Value Losses $**	**Total $**
AT 1 JULY 2012	**86,911**	**271,340**	**358,251**
Credited/(charged) to the profit and loss	(13,838)	(249,404)	(263,242)
AT 30 JUNE 2013	**73,073**	**21,936**	**95,009**
AT 1 JULY 2013	**73,073**	**21,936**	**95,009**
Credited/(charged) to the profit and loss	(12,621)	16,269	3,648
AT 30 JUNE 2014	**60,452**	**38,205**	**98,657**

(b) Movements - Deferred Tax Liabilities	**Fair Value $**	**Other $**	**Total $**
AT 1 JULY 2012	**267,504**	**90,747**	**358,251**
Charged/(Credited) to the profit and loss	(177,373)	(28,569)	(205,942)
Charged to Equity	-	(57,300)	(57,300)
AT 30 JUNE 2013	**90,131**	**4,878**	**95,009**
AT 1 JULY 2013	**90,131**	**4,878**	**95,009**
Charged/(Credited) to the profit and loss	7,500	(3,852)	3,648
AT 30 JUNE 2014	**97,631**	**1,026**	**98,657**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

18. ISSUED CAPITAL	**2014 Number**	**2013 Number**	**2014 $**	**2013 $**
Fully paid ordinary shares	28,817,316	28,404,879	6,029,170	5,887,927
Partly paid ordinary shares	9,000,000	20,000,000	239,275	304,500
			6,268,445	**6,192,427**

Movement in Fully Paid Ordinary Shares	**Date of Issue**	**Number of shares**	**Issue Price $**	**$**
AT 1 JULY 2012		28,404,879		**5,887,927**
AT 30 JUNE 2013		28,404,879		**5,887,927**
AT 1 JULY 2013		28,404,879		**5,887,927**
Equal Access Share buy-back - refer (b)	05-Feb-14	(587,563)		(58,757)
Issue of shares	30-Jun-14	1,000,000	0.20	200,000
AT 30 JUNE 2014		28,817,316		**6,029,170**

Movement in Partly Paid Ordinary shares				
AT 1 JULY 2012		20,000,000		**304,500**
AT 30 JUNE 2013		20,000,000		**304,500**
AT 1 JULY 2013		20,000,000		**304,500**
Equal Access Share buy-back - refer (b)	05-Feb-14	(10,000,000)		(50,000)
Call on Partly Paid Shares		(1,000,000)		(15,225)
AT 30 JUNE 2014		9,000,000		**239,275**

(a) Ordinary Shares

At any meeting, each shareholder present in person or by proxy, attorney, or representative has one vote for each fully paid ordinary share held either upon a show of hands or by a poll. Holders of partly paid ordinary shares have a fraction of a vote for each partly paid share held, with the fractional vote of each share being equivalent to the proportion of the total amount paid and payable (excluding amounts credited) that has actually been paid (not credited) for each share. Amounts paid in advance of a call are ignored when calculating proportions. The holder of a partly paid ordinary share is not entitled to vote at a meeting in respect of those shares on which calls are outstanding.

The profits of the Consolidated Entity, which the Directors may from time to time determine to distribute to shareholders by way of dividends, will be divisible amongst the shareholders in proportion to the amounts paid on the shares. An amount paid in advance of a call is not to be included as an amount paid on a share for the purposes of calculating an entitlement to dividends.

(b) Equal Access Share Buy-Back

On 21 January 2014, the Company's Off-Market Equal Access Share Buy-Back (approved by shareholders at the AGM held on 28 November 2013) (**Buy-Back**) closed with the following shares being bought-back and cancelled:

(i) 587,563 fully paid ordinary shares were bought back for 10 cents per share at a cost of $58,756; and

(ii) 10,000,000 partly paid ordinary shares were bought back for 0.5 cent per share at a total cost of $50,000,

with the total cost of the Buy-Back being $108,756.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

18. ISSUED CAPITAL (continued)

(c) Call on Partly Paid Ordinary Shares

On 27 June 2014, there was a conversion of 1,000,000 partly paid shares into fully paid shares upon payment of a call made by the Company in relation to 100% of the outstanding balance (being $0.184775 each or $184,775 in total) due and payable in respect of these 1,000,000 partly paid shares.

(d) Capital Risk Management

The Company's objectives when managing its capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure balancing the interests of all shareholders.

The Board will consider capital management initiatives as is appropriate and in the best interests of the Company and shareholders from time to time, including undertaking capital raisings, share Buy-backs, capital reductions and the payment of dividends.

19. RESERVES	**2014 $**	**2013 $**
Option Premium Reserve	**2,138,012**	**2,138,012**
Asset Revaluation Reserve		
Revaluations of Intangible Assets	325,437	325,437
Less: Deferred Tax on Revaluations	(97,631)	(97,631)
Less: Non-Controlling Interest	(93,638)	(108,026)
	134,168	**119,780**
Other Reserve		
Dilution movement	923,922	-
Less: Non-Controlling Interest	(89,870)	-
	834,052	**-**
	3,106,232	**2,257,792**

The movement in the Asset Revaluation Reserve relates to the revaluation of the Olive Grove land (Note 12) and the Water Licence (Note 14), as assessed by an independent qualified valuer (a Certified Practising Valuer and Associate Member of the Australian Property Institute) as at 30 June 2013.

Other Reserve relates to the gain the Company generated from increasing its shareholding interest in OEQ by 6.32% during the financial year as a consequence of OEQ cancelling 1,908,861 shares bought-back pursuant to an on-market share buy-back at a cost of $508,798. This reserve is also used to record the differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

20. NON-CONTROLLING INTEREST	**2014 $**	**2013 $**
Issued Capital	7,754,435	9,187,154
Asset revaluation reserve	93,638	108,026
Other Reserve	89,870	-
Accumulated Losses	(4,417,289)	(4,748,472)
	3,520,654	**4,546,708**

The non-controlling interest is a 41.10% (2013: 47.42%) equity holding in Orion Equities Limited (not held by the Company).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

21. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Queste Communications Ltd, as at 30 June 2014. The information presented below has been prepared using accounting policies outlined in Note 1.

	Note	2014	2013
Statement of Profit or Loss and Other Comprehensive Income		**$**	**$**
Loss for the Year		(418,389)	(364,201)
Other Comprehensive Income		-	-
Total Comprehensive Loss for the Year		**(418,389)**	**(364,201)**
Statement of Financial Position			
Current Assets		823,515	1,217,626
Non Current Assets		3,120,715	2,476,400
Total Assets		**3,944,230**	**3,694,026**
Current Liabilities		252,030	118,470
Total Liabilities		**252,030**	**118,470**
Net Assets		**3,692,200**	**3,575,556**
Issued Capital		6,268,445	6,192,427
Reserves			
Option Premium Account		2,138,012	2,138,012
Available for Sale Reserve		(500,499)	(959,514)
Accumulated Losses		(4,213,758)	(3,795,369)
Equity		**3,692,200**	**3,575,556**
Lease Commitments	**Note**		
Not longer than one year	**27**	**73,333**	**48,582**

Related Party Transaction

The Company has control of Orion Equities Limited (OEQ). During the financial year there were transactions between the Company, OEQ and Associate Entity Bentley Capital Limited (BEL), pursuant to shared office and administration arrangements. There were no amounts outstanding at balance date. The following related party transactions also occurred during the year:

	2014	2013
Bentley Capital Limited	**$**	**$**
Dividends Received	17,406	-
Return of Capital Received	17,406	34,812

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

22. INTEREST IN SUBSIDIARY

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interest in accordance with the accounting policy described in Note 1:

Ownership Interest		Parent		Non-Controlling Interest	
	Incorporated	2014	2013	2014	2013
Orion Equities Limited	Australia	58.90%	52.58%	41.10%	47.42%

The Company's interest in OEQ increased during the financial year as a consequence of OEQ cancelling 1,908,861 shares bought-back pursuant to on-market share buy-backs.

Summarised financial information of the subsidiary with non-controlling interests that are material to the consolidated entity are set out below:

	2014 $	2013 $
Summarised Statement of Profit or Loss and Other Comprehensive Income		
Revenue	324,071	148,790
Expenses	(1,003,385)	(3,093,313)
Loss before income tax expense	**(679,314)**	**(2,944,523)**
Income tax expense	-	(57,300)
Loss for the Year from Continuing Operations	**(679,314)**	**(3,001,823)**
Loss for the Year from Discontinuing Operations	(110,855)	(110,612)
Loss after income tax expense	**(790,169)**	**(3,112,435)**
Other comprehensive income	-	(133,699)
Total Comprehensive Loss for the Year	**(790,169)**	**(3,246,134)**
Summarised Statement of Financial Position		
Current assets	1,661,885	2,600,354
Non-current assets	7,184,035	7,555,381
Total Assets	**8,845,920**	**10,155,735**
Current liabilities	182,171	196,932
Non-current liabilities	98,600	94,688
Total Liabilities	**280,771**	**291,620**
Net Assets	**8,565,149**	**9,864,115**
Statement of cash flows		
Net cash from operating activities	(772,640)	924,162
Net cash used in investing activities	187,500	406,435
Net cash used in financing activities	(508,798)	-
Net increase/(decrease) in cash and cash equivalents	**(1,093,938)**	**1,330,597**
Other financial information		
Profit/(Loss) attributable to non-controlling interest	331,184	(1,496,136)
Accumulated non-controlling interest at the end of the year	3,520,654	4,546,707

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

23. 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. Corporate items are mainly comprised of corporate assets, office expenses and income tax assets and liabilities.

	Olive Oil	Investments	Corporate	Total
2014	**$**	**$**	**$**	**$**
Segment Revenues				
Revenue	196,511	44,426	72,170	313,107
Other	-	256,768	-	256,768
Total Segment Revenues	**196,511**	**301,194**	**72,170**	**569,875**
Personnel Expenses	5,257	-	756,539	761,796
Finance Expenses	995	-	3,790	4,785
Administration Expenses	81,954	51,453	184,999	318,406
Depreciation Expense	67,526	-	9,089	76,615
Other Expenses	340,619	6,651	270,086	617,356
Total Segment Profit/(Loss)	**(299,840)**	**243,090**	**(1,152,333)**	**(1,209,083)**
Segment Assets				
Cash	11,488	-	1,158,131	1,169,619
Financial Assets	-	1,172,419	-	1,172,419
Property held for Development or Resale	-	1,490,000	-	1,490,000
Investment in Associate	-	4,119,071	-	4,119,071
Property, Plant and Equipment	1,051,969	-	39,677	1,091,646
Intangible Assets	575,437	-	-	575,437
Other Assets	199,788	-	145,718	345,506
Total Segment Assets	**1,838,682**	**6,781,490**	**1,343,526**	**9,963,698**
Segment Liabilities	**29,213**	**-**	**352,561**	**381,774**
2013				
Segment Revenues				
Revenue	270,967	44,744	120,551	436,262
Other	-	-	2,804	2,804
Total Segment Revenues	**270,967**	**44,744**	**123,355**	**439,066**
Personnel Expenses	21,945	-	911,551	933,496
Finance Expenses	1,453	-	928	2,381
Administration Expenses	30,028	-	148,486	178,514
Impairment & Depreciation Expense	361,685	150,000	7,340	519,025
Other Expenses	467,681	1,573,553	217,852	2,259,086
Total Segment Loss	**(611,825)**	**(1,678,809)**	**(1,162,802)**	**(3,453,436)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

23. SEGMENT INFORMATION (continued)

Segment Assets	Olive Oil $	Investments $	Corporate $	Total $
Cash	-	1,900,000	847,596	2,747,596
Financial Assets	-	723,873	-	723,873
Property held for Development or Resale	-	1,490,000	-	1,490,000
Investment in Associate	-	4,307,391	-	4,307,391
Property, Plant and Equipment	1,127,366	-	27,435	1,154,801
Intangible Assets	650,433	-	-	650,433
Other Assets	230,456	95,009	244,205	569,670
Total Segment Assets	**2,008,255**	**8,516,273**	**1,119,236**	**11,643,764**
Segment Liabilities	**121,504**	**24,587**	**273,888**	**419,979**

24. FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments consist of deposits with banks, accounts receivable and payable, investments in listed securities, and other unlisted securities. The principal activity of the Consolidated Entity is the management of these investments - "financial assets at fair value" (refer Note 7). The Consolidated Entity's investments are subject to market (which includes interest rate and price risk), credit and liquidity risks.

The Board of Directors is responsible for the overall internal control framework (which includes risk management) but no cost-effective internal control system will preclude all errors and irregularities. The system is based, in part, on the appointment of suitably qualified management personnel. The effectiveness of the system is continually reviewed by management and at least annually by the Board.

The financial receivables and payables of the Consolidated Entity in the table below are due or payable within 30 days. The financial investments are held for trading and are realised at the discretion of the Board of Directors.

The Consolidated Entity holds the following financial instruments:

Financial Assets	Note	2014 $	2013 $
Cash and Cash Equivalents	6	1,169,619	2,747,596
Financial Assets at Fair Value through Profit or Loss	7	1,172,419	723,873
Trade and Other Receivables	8	154,771	209,600
		2,496,809	**3,681,069**
Financial Liabilities			
Trade and Other Payables	15	(165,760)	(149,981)
		(165,760)	**(149,981)**
NET FINANCIAL ASSETS		**2,331,049**	**3,531,088**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

24. FINANCIAL RISK MANAGEMENT (continued)

(a) Market Risk

(i) *Price Risk*

The Consolidated Entity is exposed to equity securities price risk. This arises from investments held by the Consolidated Entity and classified in the Statement of Financial Position at fair value through profit or loss. The Consolidated Entity is not exposed to commodity price risk, save where this has an indirect impact via market risk and equity securities price risk.

The value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments in the market. By its nature as an investment company, the Consolidated Entity will always be subject to market risk as it invests its capital in securities that are not risk free - the market price of these securities can and will fluctuate. The Consolidated Entity does not manage this risk through entering into derivative contracts, futures, options or swaps.

Equity price risk is minimised through ensuring that investment activities are undertaken in accordance with Board established mandate limits and investment strategies.

The Consolidated Entity has performed a sensitivity analysis on its exposure to market price risk at balance date. The analysis demonstrates the effect on the current year results and equity which could result from a change in these risks. The ASX All Ordinaries Accumulation Index was utilised as the benchmark for the unlisted and listed share investments which are financial assets available-for-sale or at fair value through profit or loss.

	Impact on Post-Tax Profit		Impact on Other Components	
	2014	**2013**	**2014**	**2013**
ASX All Ordinaries Accumulation Index	**$**	**$**	**$**	**$**
Increase 15%	1,696,016	1,971,125	1,696,016	1,971,125
Decrease 15%	(1,696,016)	(1,971,125)	(1,696,016)	(1,971,125)

(ii) *Interest Rate Risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest bearing instruments. The average interest rate for the year for the table below is 3.35% (2013: 4.35%). The revenue exposure is immaterial in terms of the possible impact on profit or loss or total equity.

	2014	**2013**
	$	**$**
Cash at Bank and in hand	1,119,619	647,596
Short-Term Deposits	50,000	2,100,000
	1,169,619	**2,747,596**

(b) Credit Risk

Credit risk refers to the risk that a counterparty under a financial instrument will default (in whole or in part) on its contractual obligations resulting in financial loss to the Consolidated Entity. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables and committed transactions. Concentrations of credit risk are minimised primarily by undertaking appropriate due diligence on potential investments, carrying out all market transactions through approved brokers, settling non-market transactions with the involvement of suitably qualified legal and accounting personnel (both internal and external), and obtaining sufficient collateral or other security (where appropriate) as a means of mitigating the risk of financial loss from defaults. The Consolidated Entity's business activities do not necessitate the requirement for collateral as a means of mitigating the risk of financial loss from defaults.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

24. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit Risk (continued)

The credit quality of the financial assets are neither past due nor impaired and can be assessed by reference to external credit ratings (if available with Standard & Poor's) or to historical information about counterparty default rates. The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets as summarised below:

	2014	2013
Cash and Cash Equivalents	**$**	**$**
AA-	1,166,007	2,743,705
A-	1,623	1,665
	1,167,630	**2,745,370**
Trade Receivables (due within 30 days)		
No external credit rating available	**154,771**	**209,600**

The Consolidated Entity measures credit risk on a fair value basis. The carrying amount of financial assets recorded in the financial statements, net any provision for losses, represents the Consolidated Entity's maximum exposure to credit risk.

(c) Liquidity Risk

Liquidity risk is the risk that the Consolidated Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Consolidated Entity has no borrowings. The Consolidated Entity's non-cash investments can be realised to meet trade and other payables arising in the normal course of business. The financial liabilities disclosed in the above table have a maturity obligation of not more than 30 days.

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
(ii) Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
2014	**$**	**$**	**$**	**$**
Financial Assets at Fair Value through Profit or Loss:				
Listed Investments at Fair Value	672,659	-	-	672,659
Unlisted Investments at Fair Value		499,760	-	499,760
Land at Independent Valuation	-	-	766,593	766,593
Intangible Assets	-	-	575,437	575,437
Olive Trees	-	-	65,500	65,500
Total	**672,659**	**499,760**	**1,407,530**	**2,579,949**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

24. FINANCIAL RISK MANAGEMENT (continued)

(d) Fair Value Hierarchy (continued)

2013	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Financial Assets at Fair Value through Profit or Loss:				
Listed Investments at Fair Value	723,873	-	-	723,873
Land at Independent Valuation	-	-	766,593	766,593
Intangible Assets	-	-	650,433	650,433
Olive Trees	-	-	65,500	65,500
Total	**723,873**	**-**	**1,482,526**	**2,206,399**

There have been no transfers between the levels of the fair value hierarchy during the financial year.

(e) Valuation Techniques

The fair value of the listed investment traded in active markets is based on closing bid prices at the end of the reporting period. These investments are included in level 1.

The fair value of any assets that are not traded in an active market are determined using certain valuation techniques. The valuation techniques maximise the use of observable market data where it is available, or independent valuation and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The fair value of the unlisted investment (in a managed fund) is valued at the audited unit price published by the investment manager and as such this financial instrument is included in level 2.

At level 3, the land and intangible assets (water licence) were valued by an independent qualified valuer (an Associate Member of the Australian Property Institute) as at 30 June 2013 (which values have been maintained by the Directors as at 30 June 2014). These assets have been valued based on similar assets, location and market conditions or Direct Comparison or Comparative Sales Approach. The land value per hectare based on rural land sold in the general location provided a rate which included ground water licence. A 4% change would increase or decrease the land and intangible asset's fair value change by $34,000 and $26,000 respectively. There has been no unusual circumstances that may affect the value of the property.

At level 3 the olive trees' value was assessed as at 30 June 2014 by the Directors. The fair value of the trees is at the Directors' valuation having regard to, amongst other matters, replacement cost and the trees commercial production qualities. The significant unobservable input is the replacement cost of 15 year old fruiting trees. There are no age limits to the commercial viability of an olive grove. A 1% change in the minimum replacement cost would result in an increase or decrease by $3,500. There has been no unusual circumstances that may affect the value of the property.

(f) Level 3 Assets	**Land $**	**Intangible Assets $**	**Olive Trees $**	**Total $**
AT 1 JULY 2012	999,901	727,746	65,500	1,793,147
Losses recognised in other comprehensive income	(239,983)	(25,000)	-	(264,983)
Impairment recognised in Asset Revaluation Reserve	-	(52,313)	-	(52,313)
AT 30 JUNE 2013	**759,918**	**650,433**	**65,500**	**1,475,851**
Disposal	-	(74,996)	-	(74,996)
AT 30 JUNE 2014	**759,918**	**575,437**	**65,500**	**1,400,855**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

24. FINANCIAL RISK MANAGEMENT (continued)

(g) Fair Values of Other Financial Instruments

	2014	2013
Financial Assets	**$**	**$**
Cash and Cash Equivalents	1,169,619	2,747,596
Trade and Other Receivables	154,771	209,600
	1,324,390	**2,957,196**
Financial Liabilities		
Trade and Other Payables	(165,760)	(149,981)
	(165,760)	**(149,981)**

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

25. KEY MANAGEMENT PERSONNEL (KMP)

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Consolidated Entity's KMP for the year ended 30 June 2014.

The total remuneration paid to KMP of the Consolidated Entity during the year is as follows:

	2014	2013
Directors	**$**	**$**
Short-Term Employment Benefits	477,254	590,204
Other Long-Term Employment Benefits	43,149	80,941
	520,403	**671,145**

During the year, the Consolidated Entity received $44,200 rental income from Director, Farooq Khan, pursuant to a standard form residential tenancy agreement in respect of the Property Held for Development or Resale (held by Orion subsidiary, Silver Sands Developments Pty Ltd).

26. AUDITORS' REMUNERATION

During the year the following fees were paid for services provided by the auditor of the parent entity, its related practices and other non-related audit firms:

	2014	2013
BDO Audit (WA) Pty Ltd	**$**	**$**
Audit and Review of Financial Statements	59,612	65,839
Taxation Services	6,569	13,010
	66,181	**78,849**

The Consolidated Entity may engage BDO on assignments additional to their statutory audit duties where their expertise and experience with the Consolidated Entity are important. These assignments principally relate to taxation advice in relation to the tax notes to the financial statements.

27. COMMITMENTS

	2014	2013
	$	**$**
Not longer than one year	**146,667**	**97,163**

On or about 21 July 2014, the Company, OEQ and BEL entered into a new non-cancellable operating lease agreement for office accommodation. The lease commitment is the Consolidated Entity's share of the lease costs and includes all outgoings (inclusive of GST). The lease is for a one year term expiring on or about 23 July 2015, with an option to renew to 30 January 2017.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 30 June 2014

28. 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 Paulsens East (Iron Ore) Project tenements (EL47/1328 and PL47/1170) in Western Australia currently held by Strike Resources Limited (ASX : SRK).

29. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) Associate entity, Bentley Capital Limited (ASX : BEL), has announced its intention to pay a fully-franked dividend of 0.95 cent per share in September 2014. The Company's and Orion's entitlement to such dividend would be $16,536 and $194,881 respectively.

No other matter or circumstance has arisen since the end of the financial 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

The Directors of the Company declare that:

(1) The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flow and accompanying notes as set out on pages 16 to 44 are in accordance with the *Corporations Act 2001* and:

   (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting; and

   (b) give a true and fair view of the Company's and Consolidated Entity's financial position as at 30 June 2014 and of its performance for the year ended on that date;

(2) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(3) The Directors have been given the declarations required by section 295A of the Corporations Act 2001 by the Executive Chairman and Managing Director (the person who performs the Chief Executive Officer function) and the Company Secretary (the person who, in the opinion of the Directors, performs the Chief Financial Officer function); and

(4) The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.

Farooq Khan
Chairman

Victor Ho
Executive Director and Company Secretary

29 August 2014

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INDEPENDENT AUDITOR'S REPORT

To the members of Queste Communications Ltd

Report on the Financial Report

We have audited the accompanying financial report of Queste Communications Ltd, which comprises the consolidated statement of financial position as at 30 June 2014, 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 year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, 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 Queste Communications Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Queste Communications Ltd is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Queste Communications Ltd for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

Brad McVeigh

Director

Perth, 29 August 2014

ADDITIONAL ASX INFORMATION
as at 17 October 2014

CORPORATE GOVERNANCE STATEMENT

The Company has chosen to early adopt the Corporate Governance Principles and Recommendations (3rd Edition, March 2014) issued by the ASX Corporate Governance Council in respect of the financial year ended 30 June 2014, one year before the mandatory adoption date.

Pursuant to ASX Listing Rule 4.10.3, the Company's 2014 Corporate Governance Statement (dated on or about 24 October 2014) and ASX Appendix 4G (Key to Disclosures of Corporate Governance Principles and Recommendations) can be found at the following URL on the Company's Internet website:
http://queste.com.au/corporate-governance

DISTRIBUTION OF LISTED ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	11	7,227	0.03%
1,001	-	5,000	49	139,553	0.48%
5,001	-	10,000	59	550,425	1.91%
10,001	-	100,000	97	2,697,340	9.36%
100,001	-	and over	24	25,422,771	88.22%
Total			**240**	**28,817,316**	**100.00%**

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	3,571	47	89,026	0.31%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 3,571 shares or less (being a parcel with a value of $500 or less in total), based upon the Company's closing share price of 14 cents per share on 16 October 2014.

DISTRIBUTION OF UNLISTED PARTLY PAID ORDINARY SHARES

Name	No. of Partly Paid Shares
Chi Tung Investments Ltd	9,000,000

These 9,000,000 ordinary shares were issued at a price of 20 cents per share and have been partly paid to 1.5225 cents each and have an outstanding amount payable of 18.4775 cents per share.

ADDITIONAL ASX INFORMATION
as at 17 October 2014

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shares / Voting Shares	% Voting Power[6]
Azhar Chaudhri, Renmuir Holdings Limited and Chi Tung Investments Ltd[1]	MR AZHAR CHAUDHRI	1,436,001	25.25%[1]
	CHI TUNG INVESTMENTS LTD	2,050,000	
	RENMUIR HOLDINGS LTD	3,277,780	
	CHI TUNG INVESTMENTS LTD	685,125[2]	
Bell IXL Investments Limited and associates[3]	BELL IXL INVESTMENTS LIMITED	2,599,747	25.09%[3]
	CELLANTE SECURITIES PTY LIMITED	2,053,282	
	CLEOD PTY LTD <CELLANTE SUPER FUND A/C>	2,748,490	
Farooq Khan and associates[4]	FAROOQ KHAN	2,286,367	20.18%[4]
	ISLAND AUSTRALIA PTY LTD	3,668,577	
Manar Nominees Pty Ltd and Zelwar Superannuation Pty Ltd[5]	MANAR NOMINEES PTY LTD	1,825,663	6.80%[5]
	ZELWER SUPERANNUATION PTY LTD	180,500	

Notes:

(1) Based on the substantial shareholding notice filed by Azhar Chaudhri and associates dated 1 July 2014

(2) Voting shares attributable to 9,000,000 partly paid ordinary shares (issued at a price of 20 cents per share) which have been partly paid to 1.5225 cent each

(3) Based on the substantial shareholding notice filed by Bell IXL Investments Limited dated 28 January 2014 (updated to reflect current percentage voting power)

(4) Based on the substantial shareholding notice filed by Farooq Khan and associate dated 23 January 2014 (updated to reflect current percentage voting power)

(5) Based on the substantial shareholding notice filed by Manar Nominees Pty Ltd dated 29 December 2003 (updated to reflect current percentage voting power)

(6) Total Voting Power is equivalent to the total number of fully paid ordinary shares on issue (28,817,316) plus the equivalent voting shares associated with the partly paid shares on issue based on the amount paid up per partly paid share (685,125).

(7) Movements of less than 1% in voting power are not required to be disclosed to ASX via an update substantial shareholding notice and accordingly, there may be variances between the shareholdings recorded in the table above and the most recent substantial shareholding notices lodged on ASX.

VOTING RIGHTS

Subject to any rights or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of shareholders of the Company:

(1) Each shareholder entitled to vote may vote in person or by proxy or by power of attorney or, in the case of a shareholder which is a corporation, by representative;

(2) Every person who is present in the capacity of shareholder or the representative of a corporate shareholder shall, on a show of hands, have one vote;

(3) Every shareholder who is present in person, by proxy, by power of attorney or by corporate representative shall, on a poll, have one vote in respect of every fully paid share held by him; and

(4) The Company's partly paid shares have a proportional voting entitlement in accordance with the amount paid up for that share.

ADDITIONAL ASX INFORMATION
as at 17 October 2014

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Shares Held	Total Shares	% Issued Capital	% Voting Power*
1	BELL IXL INVESTMENTS LIMITED	2,599,747			
	CELLANTE SECURITIES PTY LIMITED	2,053,282			
	CLEOD PTY LTD <CELLANTE SUPER FUND A/C>	2,748,490			
		Sub-total	7,401,519	25.68%	25.09%
2	MR AZHAR CHAUDHRI	1,436,001			
	CHI TUNG INVESTMENTS LTD	1,050,000			
	RENMUIR HOLDINGS LTD	3,277,780			
		Sub-total	6,763,781	23.47%	22.93%
3	FAROOQ KHAN	2,286,367			
	ISLAND AUSTRALIA PTY LTD	3,668,577			
		Sub-total	5,954,944	20.66%	20.18%
4	MANAR NOMINEES PTY LTD	1,825,663			
	ZELWER SUPERANNUATION PTY LTD	180,500			
		Sub-total	2,006,163	6.96%	6.80%
5	COWOSCO CAPITAL PTY LTD		1,150,000	3.99%	3.90%
6	MR DONALD GORDON MACKENZIE & MRS GWENNETH EDNA MACKENZIE		466,003	1.62%	1.58%
7	MS ROSANNA DE CAMPO		268,100	0.93%	0.91%
8	GIBSON KILLER PTY LTD		220,000	0.76%	0.75%
9	GLENVIEW SERVICES PTY LTD		215,000	0.75%	0.73%
10	MR AYUB KHAN		215,000	0.75%	0.73%
11	MRS AFIA KHAN		215,000	0.75%	0.73%
12	MR SIMON KENNETH CATO	118,000			
	ROSEMONT ASSET PTY LTD	75,000			
		Sub-total	193,000	0.67%	0.65%
13	TOMATO 2 PTY LTD		185,019	0.64%	0.63%
14	MR JOHN CHENG-HSIANG YANG & MS PEGA PING PING MOK		136,125	0.47%	0.46%
15	MR ANTHONY NEALE KILLER & MRS SANDRA MARIE KILLER		130,000	0.45%	0.44%
16	MR EUGENE RODRIGUEZ		110,000	0.38%	0.37%
17	MR KEITH FRANCIS OATES & MRS LINDA ANN OATES		100,000	0.35%	0.34%
18	MRS MARY THERESE CAMILLERI		100,000	0.35%	0.34%
19	DR SIEW NAM UN		87,500	0.30%	0.30%
20	CITICORP NOMINEES PY LIMITED		85,296	0.30%	0.29%
Total			**26,002,450**	**90.23%**	**88.14%**

* % Voting Power is equivalent to the total number of fully paid ordinary shares on issue (28,817,316) plus the equivalent voting shares associated with the partly paid shares on issue based on the amount paid up per partly paid share (685,125).

ASX Code: QUE

Queste Communications Ltd
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