



HALF YEAR REPORT

31 December 2021

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2021 ANNUAL REPORT OF THE COMPANY
LODGED ON ASX ON 19 OCTOBER 2021



ASX Code: QUE

Queste Communications Ltd
A.B.N. 58 081 688 164

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BOARD

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

COMPANY SECRETARY

Victor Ho

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ASX CODE

QUE

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APPENDIX 4D HALF YEAR REPORT

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

Current Reporting Period:	1 July 2021 to 31 December 2021
Previous Corresponding Period:	1 July 2020 to 31 December 2020
Balance Date:	31 December 2021
Company:	Queste Communications Ltd (QUE or the Company)
Consolidated Entity:	The Company and controlled entities (Queste), being Orion Equities Limited (ASX:OEQ) (OEQ) and controlled entities of OEQ (Orion).

RESULTS FOR ANNOUNCEMENT TO THE MARKET

COMPANY	Dec 2021 \$	Dec 2020 \$	Change %	Up/ Down
Total revenues	-	136,481	N/A	N/A
Net gain/(loss) on financial assets	(1,217,795)	843,089	244%	Gain Down
Share of Associate entity's net profit/(loss)	(48,303)	-	N/A	N/A
Other Expenses	(72,528)	(154,784)	53%	Down
Profit/(Loss) before tax	(1,338,626)	824,786	262%	Profit Down
Income tax expense	-	-	-	Unchanged
Profit/(Loss) for the half year	(1,338,626)	824,786	262%	Profit Down

CONSOLIDATED ENTITY	Dec 2021 \$	Dec 2020 \$	Change %	Up/ Down
Total revenues	21,992	237,617	91%	Down
Net gain/(loss) on financial assets	(1,550,000)	950,000	263%	Down
Share of Associate entity's net profit/(loss)	(2,140,797)	1,269,664	269%	Gain Down
Other Expenses	(279,506)	(405,335)	31%	Down
Profit/(Loss) before tax	(3,948,311)	2,051,946	292%	Profit Down
Income tax expense	-	-	-	-
Profit/(Loss) for the half year	(3,948,311)	2,051,946	292%	Profit Down
Net Loss/(Profit) attributable to non-controlling interest	1,536,344	(830,994)	285%	Loss Down
Profit/(Loss) after tax attributable to owners of the Company	(2,411,967)	1,220,952	298%	Profit Down
Basic and diluted earnings/(loss) per share (cents)	(8.91)	4.51	298%	Gain Down

CONSOLIDATED ENTITY	Dec 2021	Jun 2021	Change %	Up/ Down
NTA backing per share (cents)	5.90	14.81	60%	Down

BRIEF EXPLANATION OF RESULTS

The Consolidated Entity's results incorporate the results of controlled entity, ASX-listed investment company, Orion Equities Limited (**OEQ**) and controlled entities of OEQ (**Orion**).

The Consolidated Entity's overall net loss relate principally to Orion's investment portfolio performance, as follows:

- \$2.092 million recognised as a share of an Associate entity's net loss – this relates to Orion's investment in Bentley Capital Limited (ASX:BEL); Bentley generated a net loss of \$7.765 million for the half year; and
- \$1.55 million unrealised loss from Orion's investment in Strike Resources Limited (ASX:SRK), which declined in price from 26.5 to 11 cents per share during the half year.

The Consolidated Entity accounts for Bentley as an Associate entity, which means that Queste is required to recognise a share of Bentley's net profit or loss in respect of the financial year based on Queste's (28.556% as at 31 December 2021) direct and indirect shareholding interest in Bentley (this is known as the equity method of accounting for an associate entity).

APPENDIX 4D HALF YEAR REPORT

The Consolidated Entity's financial performance is primarily dependent on the share price performance of Strike Resources Limited (ASX:SRK) (in which Orion has 10 million shares and Bentley has 53.7 million shares).

Strike is developing its Paulsens East Iron Ore Project in Western Australia and has commenced exporting iron ore from Peru and accordingly, it is exposed to the iron ore price and market sentiment in the junior iron ore sector – The Consolidated Entity notes that the iron price has declined significantly from a historical high of ~US\$220/t in July 2021 to a recent low of ~US\$91/t (in November 2021) and has recovered to current levels of ~US\$140/t (as at 18 February 2022). The volatility in the iron ore price has matched the volatility in the Strike share price, which has traded within a range of 32 cents (on 15 July 2021) to 9 cents (on 6 December 2021) in the past 12 months, with a current price of 10.5 cents.

Further information about Orion's operations, financial position and performance for the financial half year ended 31 December 2021 are outlined in Orion's 31 December 2021 Half Year Report.

Further information about Bentley's operations, financial position and performance for the financial half year ended 31 December 2021 are outlined in Bentley's 31 December 2021 Half Year Report.

Please refer to the attached Directors' Report and Financial Report for further information on a review of Queste's operations and the financial position and performance of Queste for the financial half year ended 31 December 2021.

Notwithstanding the accounting value of the investments of the Company as outlined herein, it is noted that the market value of the share investments are as follows:

Investment	Shareholding	ASX Market Value ¹ 31 December 2021
Orion Equities Limited (ASX:OEQ)	9,367,653	\$1,311,471
Bentley Capital Limited (ASX:BEL)	1,225,752	\$85,803
	Total	\$1,397,274

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2021.

ASSOCIATE ENTITY

Orion has accounted for the following share investment at the Balance Date as an investment in an Associate entity (on an equity accounting basis):

- 26.946% interest (20,513,783 shares) in Bentley Capital Limited (ASX:BEL) (30 June 2021: 26.946%; 20,513,783 shares).

The Company also has a 1.61% (1,225,752 shares) direct interest in BEL as at Balance Date (30 June 2021: 1.61%; 1,252,752 shares).

Accordingly, the Consolidated Entity has equity accounted for a 28.556% total interest in BEL (30 June 2021: 28.556%).

¹ Based on closing bid price on ASX

APPENDIX 4D HALF YEAR REPORT

CONTROLLED ENTITIES

The Company did not gain or lose control over any entities during the financial half year.

For and on behalf of the Directors,



Victor Ho
Executive Director and Company Secretary
Telephone: (08) 9214 9777

Date: 23 February 2022

Email: cosec@queste.com.au

DIRECTORS' REPORT

The Directors present their report on Queste Communications Ltd ABN 58 081 688 164 (ASX:QUE) (**Company** or **QUE**) and its controlled entities (**Queste** or the **Consolidated Entity**) for the financial half year ended 31 December 2021 (**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 (ASX Code: QUE).

Queste's results incorporates the results of controlled entity, ASX listed investment company, Orion Equities Limited ABN 77 000 742 843 (ASX:OEQ) (**Orion** or **OEQ**). The Company has a 59.86% (9,367,653 shares) shareholding interest in Orion (30 June 2021: 59.86% (9,367,653 shares)).

FINANCIAL POSITION

COMPANY	Dec 2021	Jun 2021
	\$	\$
Cash and cash equivalents	31,596	16,322
Current investments - equities	2	3
Investment in controlled entity (OEQ)	1,311,471	2,529,266
Investment in Associate entity (BEL)	-	48,303
Receivables	125	24,706
Deferred tax assets	523,632	523,632
Other assets	3,078	3,556
Total Assets	1,869,904	3,145,788
Tax liabilities (current and deferred)	-	-
Loan from OEQ	(77,171)	(42,597)
Other payables and liabilities	(292,327)	(264,159)
Net Assets	1,500,406	2,839,032
Issued capital	6,239,370	6,239,370
Reserves	4,480,557	4,480,557
Accumulated losses	(9,219,521)	(7,880,895)
Total Equity	1,500,406	2,839,032

OPERATING RESULTS

COMPANY	Dec 2021	Dec 2020
	\$	\$
Total revenues	-	136,481
Net gain/(loss) on financial assets	(1,217,795)	843,089
Share of Associate entity's net profit/(loss)	(48,303)	-
Other Expenses	(72,528)	(154,784)
Profit/(Loss) before tax	(1,338,626)	824,786
Income tax expense	-	-
Profit/(Loss) for the half year	(1,338,626)	824,786

LOSS PER SHARE

CONSOLIDATED ENTITY	Dec 2021	Dec 2020
Basic earnings/(loss) per share (cents)	(8.91)	4.51
Weighted average number of fully paid ordinary shares in the Company outstanding during the half year used in the calculation of basic loss per share	27,072,332	27,072,332

DIRECTORS' REPORT

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2021.

SECURITIES ON ISSUE

As at Balance Date (and currently), the Company has 27,072,332 listed fully paid ordinary shares (30 June 2021: 27,072,332 fully paid ordinary shares) on issue.

All such shares are listed on ASX. The Company does not have other securities on issue.

REVIEW OF OPERATIONS

1. Orion Equities Limited (ASX:OEQ)

1.1. Current Status of Investment in Orion

Orion is a listed investment company.

The Company holds 9,367,653 shares in Orion, being 59.86% of its issued ordinary share capital (30 June 2021: 9,367,653 shares (59.86%)). 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 31 December 2021 Half Year Report, 2021 Annual 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 1.3 below contain information extracted from Orion's public statements.

1.2. Orion's Portfolio Details as at 31 December 2021

Asset Weighting

Consolidated Entity	% of Net Assets	
	Dec 2021	Jun 2021
Australian equities	62%	80%
Property held for development and resale	54%	25%
Net tax liabilities (current year and deferred tax assets/liabilities)	-	-
Net cash/other assets and provisions	(16)%	(5)%
TOTAL	100%	100%

Major Holdings in Securities Portfolio

Security	Fair Value \$'m	% of Net Assets	ASX Code	Industry Sector Exposures
Bentley Capital Limited	\$1.44	45%	BEL	Diversified Financials
Strike Resources Limited	\$1.10	34%	SRK	Materials
TOTAL	\$2.54	79%		

DIRECTORS' REPORT

1.3. Orion's Assets

(a) Bentley Capital Limited (ASX:BEL)

As at 31 December 2021 and currently, Queste holds 1,225,752 Bentley shares (1.61%) and Orion holds 20,513,783 Bentley shares (26.95%) (30 June 2021: Queste held 1,225,752 shares (1.61%) and Orion held 20,513,783 shares (26.95%)).

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

Queste shareholders are advised to refer to Bentley's 31 December 2021 Half Year Report, 2021 Annual Report and monthly NTA disclosures 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:SRK)

As at 31 December 2021 and currently, Orion holds 10,000,000 Strike shares (3.70%) (30 June 2021: 10,000,000 shares; 3.70%) while Orion's Associate entity, Bentley, holds 53,689,857 Strike shares (19.885%²) (30 June 2021: 53,689,857 shares; 19.885%). Therefore, Orion/Queste has a deemed relevant interest in 63,689,857 Strike shares (23.589%³).

Strike Resources Limited (ASX:SRK) is an ASX listed resource company which is developing the Paulsens East Iron Ore Project in Western Australia. Strike also owns the high grade Apurimac Iron Ore Project in Peru where it has commenced exporting "Apurimac Premium Lump" DSO product of ~65% Fe. Strike has a 43% shareholding in Lithium Energy Limited (ASX:LEL), which was spun-out of Strike under a \$9m IPO in May 2021. Lithium Energy is developing battery minerals related assets - the Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.⁴

Orion is also 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 tenement (Mining Lease M47/1583) owned by Strike. This royalty entitlement stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.⁵

Further information about Strike's resource projects and activities are contained in the company's ASX releases, including as follows:

- 1 February 2022: Quarterly Activities and Cash Flow Report - 31 December 2021; and
- 29 October 2021: Annual Report - 2021

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: "SRK".

2 Refer Bentley's ASX announcement dated 9 June 2021: Change of Substantial Shareholder Notice in SRK

3 Refer Queste/Orion's ASX Announcement dated 1 December 2020: Change of Substantial Shareholder Notice in SRK

4 Based on Strike's ASX announcement released on 1 February 2022: Quarterly Activities and Cash Flow Report – 31 December 2021

5 For further information, please refer to the following ASX Announcements: Orion's announcement dated 23 September 2005: CXL Retains a 25% Free Carried Interest in NT Uranium Tenements. Strike's announcement dated 20 September 2005: Acquisition of Uranium Tenements) and Strike's announcement dated 11 August 2008: Acquisition of Outstanding Interests in Berau Coal and Paulsens East Iron Ore Projects

DIRECTORS' REPORT

(c) Other Assets

Orion also owns a property held for redevelopment or sale (currently rented out) located in Mandurah, Western Australia.

2. Queste's Other Assets

In addition to the investment in controlled entity, Orion, Queste has a direct share investment in Associate entity, Bentley, being 1,225,752 shares (1.61%) (30 June 2021: 1,225,752 shares and 1.61%).

The Company notes that it lodges Monthly and Quarterly Cash Flow Reports on ASX, which 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".

DIRECTORS

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

Farooq Khan	Executive Chairman and Managing Director
<i>Appointed</i>	10 March 1998
<i>Qualifications</i>	BJuris, LLB (<i>Western Australia</i>)
<i>Experience</i>	Farooq Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Relevant interest in shares</i>	5,344,872 shares ⁶
<i>Other current directorships in listed entities</i>	(1) Executive Chairman of Bentley Capital Limited (ASX:BEL) (since 2 December 2003) (2) Executive Chairman of Orion Equities Limited (ASX:OEQ) (since 23 October 2006) (3) Chairman (appointed 18 December 2015) of Strike Resources Limited (ASX:SRK) (Director since 1 October 2015) (4) Executive Director of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)
<i>Former directorships in other listed entities in past 3 years</i>	Alternate Director of Keybridge Capital Limited (ASX:KBC) (26 June to 18 July 2019)

⁶ Refer Farooq Khan's Change of Director's Interest Notices dated 10 July 2019

DIRECTORS' REPORT

Victor P. H. Ho	Executive Director and Company Secretary
<i>Appointed</i>	Executive Director since 3 April 2013; Company Secretary since 30 August 2000
<i>Qualifications</i>	BCom, LLB (<i>Western Australia</i>), CTA
<i>Experience</i>	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 22 years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America (Peru, Chile and Argentina), Indonesia and the Middle East (Saudi Arabia and Oman)) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and ASX compliance and investor/shareholder relations.
<i>Relevant interest in shares</i>	17,500 shares ⁷
<i>Other current positions held in listed entities</i>	<ol style="list-style-type: none"> (1) Executive Director and Company Secretary of Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) (2) Director and Company Secretary of Strike Resources Limited (ASX:SRK) (Director since 24 January 2014 and Company Secretary since 1 October 2015) (3) Company Secretary of Bentley Capital Limited (ASX:BEL) (since 5 February 2004) (4) Company Secretary of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)
<i>Former positions in other listed entities in past 3 years</i>	<p>Company Secretary of Keybridge Capital Limited (ASX:KBC) (13 October 2016 to 13 October 2019)</p> <p>Executive Director of Lithium Energy Limited (ASX:LEL) (14 January to 18 March 2021)</p>
Yaqoob Khan	Non-Executive Director
<i>Appointed</i>	10 March 1998
<i>Qualifications</i>	BCom (<i>Western Australia</i>), Master of Science in Industrial Administration (<i>Carnegie Mellon</i>)
<i>Experience</i>	After working for several years in the Australian Taxation Office, Yaqoob 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.
<i>Relevant interest in shares</i>	3,677,301 shares ⁸
<i>Other current directorships in listed entities</i>	Non-Executive Director of Orion Equities Limited (ASX:OEQ) (since 5 November 1999).
<i>Former directorships in other listed entities in past 3 years</i>	None

⁷ Refer Victor Ho's Initial Director's Interest Notice dated 3 April 2013

⁸ Refer Yaqoob Khan's Change of Director's Interest Notice dated 6 May 2021

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 11. This relates to the Auditor's Independent Review Report, where the Auditor states that they have issued an independence declaration.

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



Farooq Khan
Chairman



Victor Ho
Executive Director

23 February 2022



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**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001**

As lead auditor of the review of Queste Communications Ltd for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

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

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

Rothsay Auditing

A handwritten signature in black ink, appearing to read 'Dalla', written over a white background.

**Daniel Dalla
Partner**

23 February 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2021

	Note	31 Dec 21 \$	31 Dec 20 \$
Revenue	2	21,992	22,085
Other			
Share of Associate entity's net profit		-	1,269,664
Net gain on financial assets at fair value through profit or loss		-	950,000
Other income		-	215,532
Total revenue		21,992	2,457,281
Expenses	3		
Share of Associate entity's net loss		(2,140,797)	-
Net loss on financial assets at fair value through profit or loss		(1,550,000)	-
Land operation expenses		(7,037)	(6,469)
Personnel expenses		(238,126)	(242,188)
Occupancy expenses		(4,959)	(9,867)
Corporate expenses		(44,162)	(23,287)
Finance expenses		(196)	(102)
Administration expenses		14,974	(123,422)
Profit/(Loss) before tax		(3,948,311)	2,051,946
Income tax expense		-	-
Profit/(Loss) after income tax		(3,948,311)	2,051,946
Total comprehensive income/(loss) for the half year		(3,948,311)	2,051,946
Profit/(Loss) attributable to:			
Owners of Queste Communications Ltd		(2,411,967)	1,220,952
Non-controlling interest		(1,536,344)	830,994
		(3,948,311)	2,051,946
Total comprehensive income/(loss) for the half year is attributable to:			
Owners of Queste Communications Ltd		(2,411,967)	1,220,952
Non-controlling interest		(1,536,344)	830,994
		(3,948,311)	2,051,946
Basic and diluted earnings/(loss) per share (cents) attributable to the ordinary equity holders of the Company	5	(8.91)	4.51

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

	Note	31 Dec 21	30 Jun 21
Current assets		\$	\$
Cash and cash equivalents		60,482	211,745
Financial assets at fair value through profit or loss	6	1,100,002	2,650,003
Receivables		-	16,772
Total current assets		1,160,484	2,878,520
Non current assets			
Property held for development or resale	8	1,750,000	1,750,000
Investment in Associate entity	9	888,898	3,029,695
Property, plant and equipment		5,102	5,974
Total non current assets		2,644,000	4,785,669
Total assets		3,804,484	7,664,189
Current liabilities			
Payables		188,196	240,510
Provisions		223,274	218,705
Total current liabilities		411,470	459,215
Non Current liabilities			
Payables		501,443	365,092
Total liabilities		912,913	824,307
Net assets		2,891,571	6,839,882
Equity			
Issued capital		6,239,370	6,239,370
Reserves			
Profits reserve		9,066,349	8,827,934
Option premium reserve		2,138,012	2,138,012
Other reserve		884,748	884,748
Accumulated losses		(16,731,929)	(14,081,547)
Parent interest		1,596,550	4,008,517
Non-controlling interest		1,295,021	2,831,365
Total equity		2,891,571	6,839,882

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2021

	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total \$
Balance at 1 July 2020	6,239,370	5,598,498	(11,286,179)	1,028,952	1,580,641
Profit for the half year	-	-	1,220,952	830,994	2,051,946
Profits reserve transfer	-	2,320,424	(2,320,424)	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the half year	-	2,320,424	(1,099,472)	830,994	2,051,946
Transactions with owners in their capacity as owners:					
Transactions with non-controlling interest	-	317,161	-	(317,161)	-
Balance at 31 Dec 2020	6,239,370	8,236,083	(12,385,651)	1,542,785	3,632,587
Balance at 1 July 2021	6,239,370	11,850,694	(14,081,547)	2,831,365	6,839,882
Loss for the half year	-	-	(2,411,967)	(1,536,344)	(3,948,311)
Profits reserve transfer	-	238,415	(238,415)	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	238,415	(2,650,382)	(1,536,344)	(3,948,311)
Transactions with owners in their capacity as owners:					
Transactions with non-controlling interest	-	-	-	-	-
Balance at 31 Dec 2021	6,239,370	12,089,109	(16,731,929)	1,295,021	2,891,571

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2021

	31 Dec 21 \$	31 Dec 20 \$
Cash flows from operating activities		
Receipts from customers	21,992	21,992
Payments to suppliers and employees	(173,255)	(313,041)
Interest paid	-	93
Other receipts	-	215,532
Net cash used in operating activities	(151,263)	(75,424)
Cash flows from investing activities		
Purchase of plant and equipment	-	(465)
Net cash used in investing activities	-	(465)
Net increase/(decrease) in cash held	(151,263)	(75,889)
Cash and cash equivalents at beginning of financial half year	211,745	352,272
Cash and cash equivalents at end of financial half year	60,482	276,383

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2021 to the date of this report.

Basis of Preparation

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

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2021.

New, revised or amending Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not mandatory have not been early adopted. These are not expected to have a material impact on the Consolidated Entity's financial statements.

2. REVENUE

The Consolidated Entity's operating profit/(loss) before income tax includes the following items of revenue:

	31 Dec 21	31 Dec 20
	\$	\$
Revenue		
Rental revenue	21,992	21,992
Interest revenue	-	93
	<hr/>	<hr/>
	21,992	22,085
Other		
Share of Associate entity's net profit	-	1,269,664
Net gain on financial assets at fair value through profit or loss	-	950,000
Other income	-	215,532
	<hr/>	<hr/>
	21,992	2,457,281
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

3. EXPENSES

	31 Dec 21	31 Dec 20
	\$	\$
The Consolidated Entity's operating profit/(loss) before income tax includes the following items of expenses:		
Share of Associate entity's net loss	2,140,797	-
Net loss on financial assets at fair value through profit or loss	1,550,000	-
Land operations	7,037	6,469
Salaries, fees and employee benefits	238,126	242,188
Occupancy expenses	4,959	9,867
Finance expenses	196	102
Corporate expenses		
ASX and CHESSE fees	35,730	18,106
ASIC fees	1,833	757
Share registry	3,953	3,205
Other corporate expenses	2,646	1,219
Administration expenses		
Professional fees	333	3,085
Audit fees	8,400	11,150
Depreciation	872	1,176
Doubtful debts	-	96,250
Reversal of provision of realisation costs	(10,827)	-
Payroll tax refunded	(15,899)	-
Other administration expenses	2,147	11,761
	3,970,303	405,335

4. SEGMENT INFORMATION

31 Dec 21	Investments	Corporate	Total
Segment revenues	\$	\$	\$
Revenue	21,992	-	21,992
Other	-	-	-
Total segment revenues	21,992	-	21,992
Personnel expenses	-	238,126	238,126
Finance expenses	-	196	196
Administration expenses	-	(5,353)	(5,353)
Depreciation expenses	-	872	872
Other expenses	3,687,007	49,455	3,736,462
Total segment profit/(loss)	(3,665,015)	(283,296)	(3,948,311)
Segment assets			
Cash and cash equivalents	-	60,482	60,482
Financial assets	1,100,002	-	1,100,002
Property held for development or resale	1,750,000	-	1,750,000
Investment in Associate entity	888,898	-	888,898
Property, plant and equipment	-	5,102	5,102
Total segment assets	3,738,900	65,584	3,804,484

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

4. SEGMENT INFORMATION (continued)

31 Dec 20	Investments	Corporate	Total
Segment revenues	\$	\$	\$
Revenue	21,992	93	22,085
Other	2,219,664	215,532	2,435,196
Total segment revenues	2,241,656	215,625	2,457,281
Personnel expenses	-	242,188	242,188
Finance expenses	-	102	102
Administration expenses	-	118,969	118,969
Depreciation expenses	-	1,176	1,176
Other expenses	9,747	33,153	42,900
Total segment loss	2,231,909	(179,963)	2,051,946
30 Jun 21			
Segment assets			
Cash and cash equivalents	-	211,745	211,745
Financial assets	2,650,003	-	2,650,003
Property held for development or resale	1,750,000	-	1,750,000
Investment in Associate entity	3,029,695	-	3,029,695
Property, plant and equipment	-	5,974	5,974
Other assets	-	16,772	16,772
Total segment assets	7,429,698	234,491	7,664,189

5. EARNINGS PER SHARE

	31 Dec 21	31 Dec 20
Basic and diluted earnings/(loss) per share (cents)	(8.91)	4.51

The following represents the profit/(loss) and weighted average number of shares used in the earnings/(loss) per share calculations:

Profit/(Loss) after income tax attributable to Owners of Queste (\$)	(2,411,967)	1,220,952
	Number of shares	
Weighted average number of ordinary shares	27,072,332	27,072,332

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 Dec 21	30 Jun 21
Listed securities at fair value	1,100,002	2,650,003

7. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

AASB 13 (Fair Value Measurement) 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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

7. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets at fair value through profit or loss:				
Listed securities at fair value				
31 Dec 21	1,100,002	-	-	1,100,002
30 Jun 21	2,650,003	-	-	2,650,003

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

(a) Valuation techniques

The fair value of the listed securities 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.

(b) Fair values of other financial assets and liabilities

	31 Dec 21	30 Jun 21
	\$	\$
Cash and cash equivalents	60,482	211,745
Receivables	-	16,772
	60,482	228,517
Payables	(188,196)	(240,510)
	(127,714)	(11,993)

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

8. PROPERTY HELD FOR RESALE

	31 Dec 21	30 Jun 21
	\$	\$
Property held for development or resale	3,797,339	3,797,339
Revaluation of property	(2,047,339)	(2,047,339)
	1,750,000	1,750,000

Critical accounting judgement and estimate

The carrying value of Property held for resale is based on Directors' judgement, having regard to the most recent independent valuation report dated 30 June 2021 and an assessment of current pertinent real estate market conditions. The Directors are of the view that the property is not impaired as at balance date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

9. INVESTMENT IN ASSOCIATE ENTITY

	Ownership Interest		Carrying Amount	
	31 Dec 21	30 Jun 21	31 Dec 21	30 Jun 21
			\$	\$
Bentley Capital Limited (ASX:BEL)	28.56%	28.56%	888,898	3,029,695

Movements in carrying amounts

Opening balance			3,029,695	169,840
Share of net profit/(loss) after tax			(2,140,797)	2,859,855
Closing balance			888,898	3,029,695

Fair value (at market price on ASX) of investment in Associate entity			1,521,767	2,173,954
Net asset backing value of investment in Associate entity			2,249,352	4,466,878

Summarised statement of profit or loss and other comprehensive income

Revenue			1	12,095,835
Expenses			(7,765,377)	(1,661,988)
Profit/(Loss) before income tax			(7,765,376)	10,433,847
Income tax expense			-	-
Profit/(Loss) after income tax			(7,765,376)	10,433,847
Other comprehensive income			-	-
Total comprehensive income			(7,765,376)	10,433,847

Summarised statement of financial position

			\$	\$
Current assets			8,925,267	16,942,748
Non-current assets			92,179	3,955
Total assets			9,017,446	16,946,703
Current liabilities			1,140,623	1,304,504
Total liabilities			1,140,623	1,304,504
Net assets			7,876,823	15,642,199

10. RELATED PARTY TRANSACTIONS

(a) Loan from Controlled Entity

The Company is deemed to have control of Orion Equities Limited (ASX:OEQ) (OEQ) as it holds 59.86% (9,367,653 shares) of Orion's issued capital (30 Jun 2021: 59.86% and 9,367,653 shares).

OEQ and the Company have entered into a Loan Agreement for the Company to borrow up to \$200,000 from OEQ (Loan). The Loan is unsecured and currently matures on 31 December 2022 and accrues interest at 10% pa in respect of the first \$150,000 advanced and 7.5% pa in respect of \$50,000 advanced thereafter. During the financial half year, the OEQ advanced \$45,000 to the Company and the Company repaid \$13,824 to OEQ and incurred interest expenses of \$3,398 under the Loan.

(b) Transactions with key management personnel

At Balance Date, the Company and Orion owes its Directors an aggregate \$113,977 and \$387,466 in unpaid salaries respectively (net of PAYG withholding tax remitted to the ATO) (30 Jun 2021: \$91,636 and \$273,456 respectively).

During the half year, the Consolidated Entity generated \$21,992 rental income from a family member of Queste and Orion Director, Farooq Khan, pursuant to a standard form residential tenancy agreement in respect of Property Held for Resale (held by Orion subsidiary, Silver Sands Developments Pty Ltd) (31 Dec 2020: \$21,992).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2021

11. 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

Orion 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 tenement (Mining Lease M47/1583) in Western Australia currently owned by Strike Resources Limited (ASX:SRK). This royalty entitlement stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.

12. EVENTS OCCURRING AFTER THE REPORTING PERIOD

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

DIRECTORS' DECLARATION

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

In the opinion of the Directors:

- (1) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2021 and of its performance for the financial half year ended on that date; and
 - (b) complying with Accounting Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (2) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman

23 February 2022



Victor Ho
Executive Director



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005
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Phone (08) 9486 7094 www.rothsay.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
QUESTE COMMUNICATIONS LTD**

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Queste Communications Ltd (“the Company”), and its controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors’ declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group’s financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor’s Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (“the Code”) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company would be in the same terms if given to the directors as at the time of this auditor’s review report.





Directors' Responsibility for the Financial Report

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

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Rothsay Auditing

Dated 23 February 2022

Daniel Dalla
Partner

SECURITIES INFORMATION

as at 31 December 2021

DISTRIBUTION OF LISTED ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	19	9,411	0.035%
1,001	-	5,000	44	123,261	0.455%
5,001	-	10,000	57	515,252	1.903%
10,001	-	100,000	79	2,171,480	8.021%
100,001	-	and over	20	24,252,928	89.586%
Total			219	27,072,332	100%

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	9,090	82	268,195	0.99%
9,091	-	over	137	26,804,137	99.01%
TOTAL			219	27,072,332	100.00%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 9,090 shares or less, being a value of \$500 or less in total, based upon the Company's last sale price on ASX as at 31 December 2021 of \$0.055 per share.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shareholding	Total Shares	% Voting Power ⁶
Faroq Khan and Associate ¹	Mr Faroq Khan & Ms Rosanna De Campo	4,921,295	5,344,872	19.74%
	Island Australia Pty Ltd	423,577		
Azhar Chaudhri and Renmuir Holdings Limited ²	Mr Azhar Chaudhri	1,436,001	4,713,781	17.41%
	Renmuir Holdings Ltd	3,277,780		
Geoff Wilson and Associates ³	Dynasty Peak Pty Ltd	4,391,975	4,391,975	16.22%
Fred Woollard and Samuel Terry Asset Management Pty Ltd ATF Samuel Terry Absolute Return Fund ⁴	Frederick Raymond Woollard	21,862	3,902,430	14.41%
	Rag & Bone Securities Pty Ltd	5,000		
	J P Morgan Nominees Australia Limited	3,875,568		
Yaqoob Khan and Associate ⁵	Mr Yaqoob Khan	3,623,976	3,677,301	13.58%
	KYA Pty Ltd	53,325		

Notes:

- (1) Based on the Change of Interests of Substantial Holder notice filed by Faroq Khan and associates dated 20 November 2014 (updated to reflect current registered shareholdings and percentage voting power) and the Change of Director's Interest Notices filed by Faroq Khan dated 10 July 2019.
- (2) Based on the substantial shareholding notice filed by Azhar Chaudhri and associates dated 6 May 2021.
- (3) Based on the Change of Interests of Substantial Holder Notice filed by Geoff Wilson and associates dated 14 February 2018.
- (4) Based on the Notice of Initial Substantial Holder notice filed by Samuel Terry Asset Management Pty Ltd dated 5 February 2018 (updated to reflect current registered shareholdings and percentage voting power).
- (5) Based on the Notice of Initial Substantial Holder notice filed by Mr Yaqoob Khan dated 6 May 2021.
- (6) Movements of less than 1% in voting power are not required to be disclosed to ASX via an updated 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. Current registered shareholdings have been disclosed (where applicable).

SECURITIES INFORMATION

as at 31 December 2021

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Shares Held	Total Shares	% Issued Capital
1	MR FAROOQ KHAN + MS ROSANNA DE CAMPO ISLAND AUSTRALIA PTY LTD	4,921,295 423,577		
		Sub-total	5,344,872	19.74
2	MR AZHAR CHAUDHRI RENMUIR HOLDINGS LTD	1,436,001 3,277,780		
		Sub-total	4,713,781	17.41
3	DYNASTY PEAK PTY LTD		4,391,975	16.22
4	MR FREDERICK RAYMOND WOOLLARD J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	21,862 3,875,568		
		Sub-total	3,897,430	14.40
5	YAQOOB KHAN KYA CORPORATION PTY LTD	3,623,976 53,325		
		Sub-total	3,677,301	13.58
6	GLENVIEW SERVICES PTY LTD		380,000	1.40
7	GA & AM LEAVER INVESTMENTS PTY LTD		378,012	1.40
8	GIBSON KILLER PTY LTD		307,500	1.14
9	MS ROSANNA DE CAMPO		268,100	0.99
10	THE ESTATE OF MR AYUB KHAN		215,000	0.79
11	MRS AFIA KHAN		215,000	0.79
12	MR SIMON KENNETH CATO + MRS KAYE LOUISE HOPKINS ROSEMONT ASSET PTY LTD	118,000 75,000		
		Sub-total	193,000	0.71
13	TOMATO 2 PTY LTD		185,019	0.68
14	MR JOHN CHENG-HSIANG YANG + MS PEGA PING MOK		136,125	0.50
15	MR EUGENE RODRIGUEZ		110,000	0.41
16	MRS MARY THERESE CAMILLERI		100,000	0.37
17	MRS LINDA ANN OATES		100,000	0.37
18	MR PAUL GERARD GRAFEN		84,351	0.31
19	MRS WENDY MARGARET BELL		75,000	0.28
20	MANAR NOMINEES PTY LTD		72,247	0.27
Total			24,844,713	91.77%