



HALF YEAR REPORT

31 December 2023

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2023 ANNUAL REPORT OF THE COMPANY
LODGED ON ASX ON 10 OCTOBER 2023



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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Australian Securities Exchange
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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 2023 to 31 December 2023
Previous Corresponding Period:	1 July 2022 to 31 December 2022
Balance Date:	31 December 2023
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 2023	Dec 2022	Change	Up/
	\$	\$	%	Down
Total revenues	153	1	>100%	Up
Net gain/(loss) on financial assets	(37,470)	(1,217,792)	97%	Down
Share of Associate entity's net loss	-	(23,358)	N/A	N/A
Other Expenses	(63,453)	(45,048)	41%	Up
Loss before tax	(100,770)	(1,286,197)	92%	Down
Income tax expense	-	-		
Loss for the half year	(100,770)	(1,286,197)	92%	Down

CONSOLIDATED ENTITY	Dec 2023	Dec 2022	Change	Up/
	\$	\$	%	Down
Total revenues	24,034	229,077	90%	Down
Net gain/(loss) on financial assets	(70,000)	(239,998)	71%	Down
Share of Associate entity's net loss	-	(414,263)	N/A	N/A
Other Expenses	(115,414)	(85,412)	35%	Up
Loss before tax	(161,380)	(510,596)	68%	Down
Income tax expense	-	-		
Loss for the half year	(161,380)	(510,596)	68%	Down
Net Loss/(Profit) attributable to non-controlling interest	39,370	177,496	78%	Down
Loss after tax attributable to owners of the Company	(122,010)	(333,100)	63%	Down
Basic and diluted loss per share (cents)	(0.45)	(1.23)	63%	Down

CONSOLIDATED ENTITY	Dec 2023	Jun 2023	Change	Up/
			%	Down
NTA backing per share (cents)	2.86	3.32	14%	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, principally attributable to \$0.07 million unrealised net loss in its investment in Strike Resources Limited (ASX:SRK), which declined in price from 6 to 5.3 cents per share during the half year.

The Consolidated Entity accounts for Bentley Capital Limited (ASX:BEL) as an Associate entity, which means that the Consolidated Entity is required to recognise a share of BEL's net profit or loss in respect of the financial period based on Queste's (28.556% as at 31 December 2023) direct and indirect shareholding interest in BEL (this is known as the equity method of accounting for an associate entity).

APPENDIX 4D HALF YEAR REPORT

As a result the Consolidated Entity's carrying value of its investment in BEL has been reduced from cost to nil – as a consequence of the Consolidated Entity's accumulated recognition of BEL's net losses. This compares with Bentley's last closing price on ASX of \$0.04¹ per share (valuing Queste's investment at \$0.049m and Orion's investment at \$0.821m) and Bentley's after-tax NTA value of \$0.0299 per share as at 31 December 2023 (valuing Queste's investment at \$0.037m and Orion's investment at \$0.614m based on Bentley's NTA backing).

The Consolidated Entity is not required to carry the BEL investment at a negative value (ie. below Nil) and if BEL should generate net profits in the future, the Consolidated Entity will recognise a share of BEL's net profits under the equity method, which will permit the Consolidated Entity to recognise a positive carrying value for BEL.

The Consolidated Entity's financial performance is primarily dependent on the share price performance of Strike (in which Orion has 10 million shares and Bentley has 56.7 million shares).

The SRK share price has traded within a range of 4.7 cents (on 18 December 2023) to 7.9 cents (on 13 July 2023) since 1 July 2023, with a bid price of 5.3 cents (as at 31 December 2023) and a current price of 5 cents (as at 27 February 2024).

Further information about Orion's operations, financial position and performance for the financial half year ended 31 December 2023 are outlined in Orion's 31 December 2023 Half Year Report.

Further information about Bentley's operations, financial position and performance for the financial half year ended 31 December 2023 are outlined in Bentley's 31 December 2023 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 2023.

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 ²	
		31 December 2023	30 June 2023
Orion Equities Limited (ASX:OEQ)	9,367,653	\$655,736	\$693,206
Bentley Capital Limited (ASX:BEL)	1,225,752	\$49,030 ¹	\$57,610
	Total	\$704,766	\$750,816

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2023.

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 2023: 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 2023: 1.61%; 1,252,752 shares).

Accordingly, the Consolidated Entity has equity accounted for a 28.556% total interest in BEL (30 June 2023: 28.556%).

1 Based on the last bid price on 20 September 2023; BEL requested a trading halt on 21 September 2023, which transitioned into a request for a voluntary suspension on 25 September 2023, pending the release of a market announcement in relation to BEL's activities.

2 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: 28 February 2024

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 2023 (**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 (**LIC**), 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 2023: 59.86% (9,367,653 shares)).

FINANCIAL POSITION

COMPANY	Dec 2023	Jun 2023
	\$	\$
Cash and cash equivalents	12,263	11,773
Current investments - equities	2	2
Investment in controlled entity (OEQ)	655,736	693,206
Investment in Associate entity (BEL)	-	-
Receivables	-	754
Other assets	1,373	2,072
Total Assets	669,374	707,807
Loan from controlled entity	(201,744)	(165,403)
Other payables and liabilities	(325,390)	(299,394)
Net Assets	142,240	243,010
Issued capital	6,239,370	6,239,370
Reserves	4,480,557	4,480,557
Accumulated losses	(10,577,687)	(10,476,917)
Total Equity	142,240	243,010

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

Investment	Shareholding	ASX Market Value ³	
		31 December 2023	30 June 2023
Orion Equities Limited (ASX:OEQ)	9,367,653	\$655,736	\$693,206
Bentley Capital Limited (ASX:BEL)	1,225,752	\$49,030 ⁴	\$57,610
Total		\$704,766	\$750,816

³ Based on closing bid price on ASX

⁴ Based on the last bid price on 20 September 2023; BEL requested a trading halt on 21 September 2023, which transitioned into a request for a voluntary suspension on 25 September 2023, pending the release of a market announcement in relation to BEL's activities.

DIRECTORS' REPORT

OPERATING RESULTS

COMPANY	Dec 2023	Dec 2022
	\$	\$
Total revenues	153	1
Net loss on financial assets	(37,470)	(1,217,792)
Share of Associate entity's net loss	-	(23,358)
Other Expenses	(63,453)	(45,048)
Loss before tax	(100,770)	(1,286,197)
Income tax expense	-	-
Loss for the half year	(100,770)	(1,286,197)

LOSS PER SHARE

CONSOLIDATED ENTITY	Dec 2023	Dec 2022
Basic and diluted loss per share (cents)	(0.45)	(1.23)
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

CONSOLIDATED FINANCIAL PERFORMANCE

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, principally attributable to \$0.07 million unrealised net loss in its investment in Strike Resources Limited (ASX:SRK), which declined in price from 6 to 5.3 cents per share during the half year.

The Consolidated Entity accounts for Bentley Capital Limited (ASX:BEL) as an Associate entity, which means that the Consolidated Entity is required to recognise a share of BEL's net profit or loss in respect of the financial period based on Queste's (28.556% as at 31 December 2023) direct and indirect shareholding interest in BEL (this is known as the equity method of accounting for an associate entity). As a result the Consolidated Entity's carrying value of its investment in BEL has been reduced from cost to nil – as a consequence of the Consolidated Entity's accumulated recognition of BEL's net losses. This compares with Bentley's last closing price on ASX of \$0.04⁵ per share (valuing Queste's investment at \$0.049m and Orion's investment at \$0.821m) and Bentley's after-tax NTA value of \$0.0299 per share as at 31 December 2023 (valuing Queste's investment at \$0.037m and Orion's investment at \$0.614m based on Bentley's NTA backing).

The Consolidated Entity is not required to carry the BEL investment at a negative value (ie. below Nil) and if BEL should generate net profits in the future, the Company will recognise a share of BEL's net profits under the equity method, which will permit the Company to recognise a positive carrying value for BEL.

The Consolidated Entity's financial performance is primarily dependent on the share price performance of Strike (in which Orion has 10 million shares and Bentley has 56.7 million shares).

The SRK share price has traded within a range of 4.7 cents (on 18 December 2023) to 7.9 cents (on 13 July 2023) since 1 July 2023, with a bid price of 5.3 cents (as at 31 December 2023) and a current price 5 cents (as at 27 February 2024).

Further information about Orion's operations, financial position and performance for the financial half year ended 31 December 2023 are outlined in Orion's 31 December 2023 Half Year Report.

Further information about Bentley's operations, financial position and performance for the financial half year ended 31 December 2023 are outlined in Bentley's 31 December 2023 Half Year Report.

⁵ Based on the last bid price on 20 September 2023; BEL requested a trading halt on 21 September 2023, which transitioned into a request for a voluntary suspension on 25 September 2023, pending the release of a market announcement in relation to BEL's activities.

DIRECTORS' REPORT

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2023.

SECURITIES ON ISSUE

As at Balance Date (and currently), the Company has 27,072,332 listed fully paid ordinary shares (30 June 2023: 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 2023: 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 2023 Half Year Report, 2023 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 2023

Asset Weighting

Consolidated Entity	% of Net Assets	
	Dec 2023	Jun 2023
Australian equities	25%	27%
Property held for development and resale	86%	82%
Net tax liabilities (current year and deferred tax assets/liabilities)	-	-
Net cash/other assets and provisions	(11)%	(9)%
TOTAL	100%	100%

Major Holdings in Securities Portfolio

Security	Fair Value \$'m	% of Net Assets	ASX Code	Industry Sector Exposures
Bentley Capital Limited	\$0.82 ³	38%	BEL	Diversified Financials
Strike Resources Limited	\$0.53 ⁴	25%	SRK	Materials
TOTAL	\$1.35	63%		

DIRECTORS' REPORT

1.3. Orion's Assets

(a) Bentley Capital Limited (ASX:BEL)

As at 31 December 2023 and currently, Queste holds 1,225,752 Bentley shares (1.61%) and Orion holds 20,513,783 Bentley shares (26.95%) (30 June 2023: 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 (LIC) with a current exposure to Australian equities.

Bentley requested a trading halt on 21 September 2023, which transitioned into a request for a voluntary suspension on 25 September 2023, pending the release of a market announcement in relation to Bentley's activities.

Shareholders are advised to refer to the 31 December 2023 Half Year Report, 2023 Annual 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:SRK)

As at 31 December 2023 and currently, Orion holds 10,000,000 Strike shares (3.52%) (30 June 2023: 10,000,000 shares; 3.52%) while Orion's Associate entity, Bentley, holds 56,739,857 Strike shares (19.996%) (30 June 2023: 56,739,857 shares; 19.996%). Therefore, Orion/Queste has a deemed relevant interest in 66,739,857 Strike shares (23.52%).

The SRK share price has traded within a range of 4.7 cents (on 18 December 2023) to 9.5 cents (on 3 February 2023) in the past 12 months, with a bid price of 5.3 cents (as at 31 December 2023) and a current price of 5 cents (as at 27 February 2024).

The SRK share price has traded within a range of 4.7 cents (on 18 December 2023) to 7.9 cents (on 13 July 2023) since 1 July 2023, with a bid price of 5.3 cents (as at 31 December 2023) and a current price of 5 cents (as at 27 February 2024).

Strike Resources Limited (ASX:SRK) is an ASX listed resource company which has developed the Paulsens East Iron Ore Mine in Western Australia – Strike has exported 66,618 tonnes of ~62% Fe Lump DSO (mined from surface detrital material) from Utah Point (Port Hedland) and is developing a 1.8Mtpa export solution out of the Port of Ashburton (Onslow). Strike also owns the high grade Apurimac Iron Ore Project in Peru where it has exported "Apurimac Premium Lump" DSO product of ~65% Fe. Strike also has a 31.01m (30%) 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 and Corella Graphite Projects in Queensland.⁶

On 3 January 2024⁷, Strike announced that it had entered into a Share and Asset Sale Agreement (**Agreement**) with Miracle Iron Holdings Pty Ltd (**Miracle**) for the sale of 100% of the shares in wholly-owned subsidiary, Strike Iron Ore Holding Pty Ltd (**SIOPL**) in consideration of a cash purchase price of \$20.5 million. SIOPL is the parent of Paulsens East Iron Ore Pty Ltd (**PEIOPL**), the owner of Strike's Paulsens East Iron Ore Project. Strike has received a \$2 million deposit with \$18 million payable on completion and \$0.5 million deferred consideration payable by Miracle on 30 June 2024. Completion of the Agreement is conditional on receipt of Strike shareholder approval under Listing Rule 11.2 (as a disposal of a 'main undertaking') and no regulatory step being initiated that could prevent the contemplated transactions under the Agreement from proceeding.

⁶ Based on SRK ASX announcement released on 31 January 2024: Quarterly Reports – 31 December 2023

⁷ Refer SRK ASX Announcement dated 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project

DIRECTORS' REPORT

Strike has convened a General Meeting on 6 March 2024 to approve the disposal of Paulsens East.⁸ If the Agreement is completed after receipt of Strike shareholder approval, Strike has advised that it will continue to advance the development of its Apurimac Iron Ore Project in Peru.⁸

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

- 31 January 2024: Quarterly Reports - 31 December 2023; and
- 3 November 2023: Annual Report - 2023.

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".

Strike is also the largest shareholder of Lithium Energy Limited (ASX:LEL) with 31,010,000 shares (30%) (30 June 2023: 31,410,000; 30.49%). Lithium Energy was spun out of Strike via a \$9 million (at \$0.20 per share) initial public offering (IPO) in in May 2021.⁹

The LEL share price has traded within a range of \$0.51 (on 23 November 2023) to \$0.95 (on 3 July 2023) since 1 July 2023, with a bid price of \$0.56 (as at 31 December 2023) and a current price of \$0.52 (as at 27 February 2024).

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke and Corella Graphite Projects in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions (where a JORC Indicated and Inferred Mineral Resource of lithium has been delineated¹⁰) located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Lithium Energy shares the lithium rights in the Olaroz Salar basin with lithium carbonate producers Arcadium Lithium plc (ASX:LTM) and Lithium Argentina Corporation (TSX:LAAC). Lithium Energy has completed a Scoping Study on Solaroz and is investigating the development of a 20/40ktpa lithium carbonate equivalent (LCE) production facility using conventional evaporation ponds; Lithium Energy is also evaluating direct-lithium extraction (DLE) technologies for Solaroz. The Burke¹¹ and Corella¹² Graphite Projects (LEL:100%) in Queensland, Australia, contains high grade JORC Indicated and Inferred Mineral Resources of graphite; Lithium Energy is investigating the proposed development of a vertically integrated battery anode material manufacturing facility in Queensland.¹³

Further information about Lithium Energy's resource projects and activities are contained in their ASX releases, including as follows:

- 31 January 2024: Quarterly Activities and Cash Flow Reports - 31 December 2023; and
- 11 September 2023: Annual Report - 2023.

Information concerning Lithium Energy may be viewed from its website: www.lithiumenergy.com.au.

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

8 Refer SRK ASX Announcement dated 5 February 2024: Notice of General Meeting, Explanatory Statement and Proxy Form

9 Refer LEL ASX Announcement released on 17 May 2021: Prospectus

10 Refer LEL ASX Announcement dated 26 October 2023: Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource

11 Refer LEL ASX Announcement dated 5 April 2023: Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence

12 Refer LEL ASX Announcement dated 16 June 2023: Maiden Corella Graphite Mineral Resource Delivers Doubling of Graphite Inventory

13 Based on LEL ASX announcement released on 31 January 2024: Quarterly Activities and Cash Flow Reports - 31 December 2023

DIRECTORS' REPORT

(c) \$5 Million Receivable on Termination of Iron Ore Royalty Entitlement¹⁴

Orion refers to Strike's Agreement with Miracle for the sale of Strike's Paulsens East Iron Ore Project referred to above.⁷

Miracle had requested the cancellation of the Orion Royalty¹⁵ that is payable to CXM Pty Ltd (**CXM**) for iron ore produced from Paulsens East (with CXM being a wholly-owned subsidiary of Orion) and CXM has agreed to do so (under the Agreement) on the following terms (at completion of the Agreement):

- (a) CXM agrees to terminate and provide releases to Miracle (as the purchaser of Paulsens East) under the Orion Royalty; and
- (b) Miracle agrees to pay \$2 million (with a further \$3 million payment deferred to 30 June 2024) to CXM as consideration for the termination of the Orion Royalty.

Orion will apply the consideration received for working capital purposes. The \$5 million cash consideration is equivalent to approximately 32 cents (pre-tax) and 22 cents (post-tax, assuming a tax rate of 30% applies and prior to utilisation of any prior year tax losses) per Orion share based on Orion's 15,649,228 shares on issue. Orion will not recognise the \$5 million consideration until the Agreement has been completed.

The entitlement under the Orion Royalty stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenements) to Strike in September 2005. CXM has received \$206,661 in royalty payments from Strike to date (during the 2022/2023 financial year).

A summary of the key terms of the Agreement (as it relates to Orion/CXM) is set out below.

Parties	Strike Resources Limited (Strike) (as Vendor), Miracle Iron Holdings Pty Ltd (Miracle) (as Purchaser) Good Importing International Pty Ltd (GII), JE United Ltd (JEL), Strike Finance Pty Ltd (SFPL) and CXM Pty Ltd (CXM) (being a subsidiary of Orion Equities Limited (ASX:OEQ) (Orion))
Condition Precedent	(a) Strike's shareholders approving the proposed transaction under the Agreement, and for the purposes of, ASX <u>Listing Rules 11.1 or 11.2</u> ; and (b) No regulatory step being initiated that could prevent the contemplated transactions from proceeding.
Completion	3 business days after satisfaction of Condition Precedent
Sunset Date (for satisfaction of Condition Precedent)	31 March 2024
Ancillary Matters (to occur, simultaneously at Completion)	(a) CXM agrees to terminate and provide releases under the Orion Royalty ¹⁵ . (b) Miracle agrees to pay \$2 million (with a further \$3 million payment deferred to 30 June 2024) to CXM as consideration for the termination of the Orion Royalty.

Completion of the Agreement is conditional on receipt of Strike shareholder approval and no regulatory step being initiated that could prevent the contemplated transactions (under the Agreement) from proceeding. Strike has convened a General Meeting on 6 March 2024 to approve the disposal of Paulsens East, with completion of the Agreement expected on 8 March 2024 (subject to receipt of Strike shareholder approval).⁸

(d) Other Assets

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

¹⁴ Refer OEQ ASX Announcement dated 3 January 2024: \$5 Million Receivable on Termination of Iron Ore Royalty Entitlement

¹⁵ 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

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 2023: 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".

3. Material Business Risks

Risks facing the Company can be divided into the broad categories of operations, market and compliance risks.

Operations risk refers to risks arising from day-to-day operational activities which may result in direct or indirect loss from inadequate or failed internal processes, people or systems or external events. The Company has clear accounting and internal control systems to manage risks to the accuracy of financial information and other financial risks. The Executive Chairman/Managing Director and Executive Director (also the Company Secretary) have delegated responsibility from the Board for identification of operations risks generally, for putting processes in place to mitigate them and monitoring compliance with those processes.

Market risk encompasses risks to the Company's performance from changes in equity prices, interest rates, currency exchange rates, capital markets and economic conditions generally. Management represents the first line in managing this risk, under the supervision of the Board. The Board retains final responsibility to assess the Company's exposure to these risks and set the strategic direction for managing them.

Compliance risk is the risk of failure to comply with all applicable legal and regulatory requirements and industry standards and the corresponding impact on the Company's business, reputation and financial condition. The Company's compliance risk management strategy ensures compliance with key legislation affecting the Company's activities. The Company Secretary has oversight responsibility for managing the Company's compliance risk. The Company Secretary take external legal and other professional advice as necessary. Comprehensive advice is taken from appropriate external professionals when establishing an operation in a new country and standing relationships are maintained with relevant external advisers, whose brief includes alerting the Company to material changes in law and government policy.

The Company also has policies on responsible business practices and ethical behaviour including a Statement of Values, Board Charter, Code of Conduct, Continuous Disclosure Policy, Anti-Bribery and Anti-Corruption Policy, Whistleblower Policy, Share Trading Policy and its Corporate Governance Statement (which is updated and released on ASX annually) to maintain confidence in the Company's integrity and ensure legal compliance.

The Company's approach to risk management is not stationary; it evolves constantly in response to developments in operations and changing market conditions.

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.

DIRECTORS' REPORT

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 ¹⁶
<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>	None

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 Master's 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>	5,387,394 shares ¹⁷
<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

¹⁶ Refer Farooq Khan's Change of Director's Interest Notices dated 10 July 2019

¹⁷ Refer Yaqoob Khan's Change of Director's Interest Notice dated 31 March 2022

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 24+ 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, resources project (debt) financing, spin-outs/demergers and IPO's/re-listings on ASX and capital management initiatives and has extensive experience in public company administration, corporations' law, ASIC/ASX compliance and investor/shareholder relations.
<i>Relevant interest in shares</i>	17,500 shares ¹⁸
<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>	Executive Director of Lithium Energy Limited (ASX:LEL) (14 January to 18 March 2021)

AUDITORS' INDEPENDENCE DECLARATION

On 15 January 2024, Rothsay Audit & Assurance Pty Ltd ABN 14 129 769 151 changed its name to In.Corp Audit & Assurance Pty Ltd.

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 14. 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
Executive Chairman and
Managing Director

28 February 2024



Victor Ho
Executive Director and
Company Secretary

¹⁸ Refer Victor Ho's Initial Director's Interest Notice dated 3 April 2013

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

As lead auditor of the review of Queste Communications Limited for the half-year ended 31 December 2023, 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 Limited and the entities it controlled during the half-year.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

28 February 2024

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2023

	Note	31 Dec 23 \$	31 Dec 22 \$
Revenue	2	24,034	22,416
Other			
Other income		-	206,661
Total revenue		24,034	229,077
Expenses	3		
Share of Associate entity's net loss		-	(414,263)
Net loss on financial assets at fair value through profit or loss		(70,000)	(239,998)
Land operation expenses		(8,869)	(7,012)
Personnel expenses		(33,091)	(18,781)
Occupancy expenses		(333)	(4,503)
Corporate expenses		(40,375)	(42,581)
Finance expenses		(86)	(244)
Administration expenses		(32,660)	(12,291)
Loss before tax		(161,380)	(510,596)
Income tax expense		-	-
Loss after income tax		(161,380)	(510,596)
Other comprehensive income			
Other comprehensive income, after tax		-	-
Total comprehensive loss for the half year		(161,380)	(510,596)
Loss attributable to:			
Owners of Queste Communications Ltd		(122,010)	(333,100)
Non-controlling interest		(39,370)	(177,496)
		(161,380)	(510,596)
Total comprehensive loss for the half year is attributable to:			
Owners of Queste Communications Ltd		(122,010)	(333,100)
Non-controlling interest		(39,370)	(177,496)
		(161,380)	(510,596)
Basic and diluted loss per share (cents) attributable to the ordinary equity holders of the Company	5	(0.45)	(1.23)

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Note	31 Dec 23	30 Jun 23
Current assets		\$	\$
Cash and cash equivalents		88,063	148,180
Financial assets at fair value through profit or loss	6	530,002	600,002
Receivables		655	1,407
Total current assets		618,720	749,589
Non current assets			
Property held for development or resale	8	1,850,000	1,850,000
Investment in Associate entity	9	-	-
Property, plant and equipment		2,380	3,227
Total non current assets		1,852,380	1,853,227
Total assets		2,471,100	2,602,816
Current liabilities			
Payables		206,086	145,367
Provisions		272,844	251,332
Total current liabilities		478,930	396,699
Non Current liabilities			
Payables		352,525	405,092
Total liabilities		831,455	801,791
Net assets		1,639,645	1,801,025
Equity			
Issued capital		6,239,370	6,239,370
Reserves			
Profits reserve		9,427,087	9,414,438
Option premium reserve		2,138,012	2,138,012
Other reserve		884,748	884,748
Accumulated losses		(17,913,838)	(17,779,179)
Parent interest		775,379	897,389
Non-controlling interest		864,266	903,636
Total equity		1,639,645	1,801,025

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2023

	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total \$
Balance at 1 July 2022	6,239,370	12,104,082	(16,943,876)	1,251,147	2,650,723
Loss for the half year	-	-	(333,100)	(177,496)	(510,596)
Profits reserve transfer	-	221,061	(221,061)	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	221,061	(554,161)	(177,496)	(510,596)
Transactions with owners in their capacity as owners:					
Transactions with non-controlling interest	-	-	-	-	-
Balance at 31 Dec 2022	6,239,370	12,325,143	(17,498,037)	1,073,651	2,140,127
Balance at 1 July 2023	6,239,370	12,437,198	(17,779,179)	903,636	1,801,025
Loss for the half year	-	-	(122,010)	(39,370)	(161,380)
Profits reserve transfer	-	12,649	(12,649)	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the half year	-	12,649	(134,659)	(39,370)	(161,380)
Transactions with owners in their capacity as owners:					
Transactions with non-controlling interest	-	-	-	-	-
Balance at 31 Dec 2023	6,239,370	12,449,847	(17,913,838)	864,266	1,639,645

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2023

	31 Dec 23 \$	31 Dec 22 \$
Cash flows from operating activities		
Receipts from customers	9,425	21,992
Interest received	2,042	424
Payments to suppliers and employees	(71,583)	(68,160)
Other receipts	-	101,128
Net cash provided by/(used in) operating activities	(60,116)	55,384
Cash flows from financing activities		
Orion dividends paid	-	(135)
Net cash used in financing activities	-	(135)
Net increase/(decrease) in cash held	(60,116)	55,249
Cash and cash equivalents at beginning of financial half year	148,180	23,052
Cash and cash equivalents at end of financial half year	88,064	78,301

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

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 2023 to the date of this report.

Basis of Preparation

The financial report has been prepared on a going concern and accrual basis and is based on historical costs modified by the revaluation of financial assets and financial liabilities for which the fair value basis of accounting has been applied. The Directors are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Consolidated Entity's ability to continue as a going concern. The Directors have a reasonable belief that the going concern assumption for the Consolidated Entity is appropriate based on, inter alia, the following matters: (a) the current cash (and receivables) and liquid investments position of the Consolidated Entity relative to its fixed and discretionary expenditure commitments; (b) the ability of the Directors of the Consolidated Entity to suspend or reduce personnel, corporate and administration expenses to conserve the Consolidated Entity's cash; and (c) the underlying prospects and liquidity of listed share investments held by the Consolidated Entity, which may be sold to realise cash.

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 2023.

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 loss before income tax includes the following items of revenue:

	31 Dec 23	31 Dec 22
Revenue	\$	\$
Rental revenue	21,992	21,992
Interest revenue	2,042	424
	<hr/>	<hr/>
	24,034	22,416
Other		
Tenement royalties	-	206,661
	<hr/>	<hr/>
	24,034	229,077

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

3. EXPENSES	31 Dec 23	31 Dec 22
	\$	\$
The Consolidated Entity's operating loss before income tax includes the following items of expenses:		
Share of Associate entity's net loss	-	414,263
Net loss on financial assets at fair value through profit or loss	70,000	239,998
Land operations	8,869	7,012
Salaries, fees and employee benefits	33,091	18,781
Occupancy expenses	333	4,503
Finance expenses	86	244
Corporate expenses		
ASX and CHESS fees	32,482	34,651
ASIC fees	2,060	2,650
Share registry	3,750	3,336
Other corporate expenses	2,083	1,944
Administration expenses		
Tenement royalties	18,787	-
Audit fees	8,400	8,400
Depreciation	364	539
Other administration expenses	5,109	3,352
	185,414	739,673

4. SEGMENT INFORMATION

31 Dec 23	Investments	Corporate	Total
Segment revenues	\$	\$	\$
Revenue	21,992	2,042	24,034
Total segment revenues	21,992	2,042	24,034
Personnel expenses	-	33,091	33,091
Finance expenses	-	86	86
Administration expenses	-	13,510	13,510
Depreciation expenses	-	364	364
Other expenses	97,656	40,708	138,364
Total segment loss	(75,664)	(85,717)	(161,381)
Segment assets			
Cash and cash equivalents	-	88,063	88,063
Financial assets	530,002	-	530,002
Receivables	655	-	655
Property held for development or resale	1,850,000	-	1,850,000
Property, plant and equipment	-	2,380	2,380
Total segment assets	2,380,657	90,443	2,471,100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

4. SEGMENT INFORMATION (continued)

31 Dec 22	Investments	Corporate	Total
Segment revenues	\$	\$	\$
Revenue	21,992	424	22,416
Other	206,661	-	206,661
Total segment revenues	228,653	424	229,077
Personnel expenses	-	18,781	18,781
Finance expenses	-	244	244
Administration expenses	-	11,753	11,753
Depreciation expenses	-	539	539
Other expenses	661,272	47,084	708,356
Total segment loss	(432,619)	(77,977)	(510,596)
30 Jun 23			
Segment assets			
Cash and cash equivalents	-	148,180	148,180
Financial assets	600,002	-	600,002
Receivables	655	752	1,407
Property held for development or resale	1,850,000	-	1,850,000
Property, plant and equipment	-	3,227	3,227
Total segment assets	2,450,657	152,159	2,602,816

5. LOSS PER SHARE

	31 Dec 23	31 Dec 22
Basic and diluted loss per share (cents)	(0.45)	(1.23)

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

Loss after income tax attributable to Owners of Queste (\$)	(122,010)	(333,100)
	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 23	30 Jun 23
Listed securities at fair value	\$ 530,002	\$ 600,002

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 2023

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 23	530,002	-	-	530,002
30 Jun 23	600,002	-	-	600,002

There have been no transfers between the levels of the fair value hierarchy during the financial half 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 23	30 Jun 23
	\$	\$
Cash and cash equivalents	88,063	148,180
Receivables	655	1,407
	88,718	149,587
Payables	(206,086)	(145,367)
	(117,368)	4,220

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 23	30 Jun 23
	\$	\$
Property held for development or resale	3,797,339	3,797,339
Revaluation of property	(1,947,339)	(1,947,339)
	1,850,000	1,850,000

Critical accounting judgement and estimate

The carrying value of Property held for resale is based on the Directors' judgement, having regard to the most recent independent valuation report dated 30 June 2023 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 2023

9. INVESTMENT IN ASSOCIATE ENTITY

	Ownership Interest		Carrying Amount	
	2023	2023	31 Dec 23	30 Jun 23
			\$	\$
Bentley Capital Limited (ASX:BEL)	28.56%	28.56%	-	-
Movements in carrying amounts				
Opening balance			-	560,643
Share of net profit/(loss) after tax			-	(560,643)
Closing balance			-	-
Fair value (at market price on ASX) of investment in Associate entity			869,581	1,021,758
Net asset backing value of investment in Associate entity			650,704	975,065
Summarised statement of profit or loss and other comprehensive income				
Revenue			954	2,469
Expenses			(1,136,804)	(3,583,981)
Loss before income tax			(1,135,850)	(3,581,512)
Income tax expense			-	-
Loss after income tax			(1,135,850)	(3,581,512)
Other comprehensive income			-	-
Total comprehensive income			(1,135,850)	(3,581,512)
Summarised statement of financial position				
Current assets			3,862,629	4,508,246
Non-current assets			795	268,929
Total assets			3,863,424	4,777,175
Current liabilities			1,584,775	1,362,676
Total liabilities			1,584,775	1,362,676
Net assets			2,278,649	3,414,499

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 2023: 59.86% and 9,367,653 shares).

OEQ and the Company have entered into a Loan Agreement for the Company to borrow up to \$225,000 from OEQ (**Loan**). The Loan is unsecured and currently matures on 31 December 2024 (unless extended by agreement of the parties) and accrues interest at 10% pa. During the financial year, the OEQ advanced \$32,000 to the Company and the Company repaid \$4,821 to OEQ and incurred interest expenses of \$9,162 under the Loan. The balance of the Loan is \$201,744 as at balance date.

(b) Transactions with key management personnel

At Balance Date, the Company and Orion owes its Directors an aggregate \$110,040 and \$285,889 in unpaid salaries respectively (net of PAYG withholding tax remitted to the ATO) (30 Jun 2023: \$110,040 and \$298,456 respectively).

During the 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 2022: \$21,992).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2023

10. RELATED PARTY TRANSACTIONS (continued)

(c) Transactions with Related Parties

During the financial half year there were transactions between the Company, Orion and Associate Entity, Bentley Capital Limited (ASX:BEL), pursuant to shared office and administration expense arrangements. There were no outstanding amounts at the Balance date.

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 (**Royalty**) currently owned by Strike Resources Limited (ASX:SRK) (**Strike**). This Royalty entitlement stems from Orion's sale of a portfolio of tenements (including the Paulsens East tenement) to Strike in September 2005.

On 22 December 2023, Strike entered into a Share and Asset Sale Agreement (**Agreement**) with Miracle Iron Holdings Pty Ltd (**Miracle**) for the sale of Strike's Paulsens East Iron Ore Project. Under the Agreement, Orion has agreed to terminate and provide releases to Miracle (as the purchaser of Paulsens East) under the Royalty and Miracle has agreed to pay \$2 million on completion of the Agreement to Orion (with a further \$3 million payment deferred to 30 June 2024) as consideration for the termination of the Royalty. Further information (including a summary of the Agreement, as it relates to Orion) is outlined in Orion's ASX market announcement dated 3 January 2024 entitled "\$5 Million Receivable on Termination of Iron Ore Royalty Entitlement."

Completion of the Agreement is conditional on receipt of Strike shareholder approval under Listing Rule 11.2 (expected to be held in March 2024) and no regulatory step being initiated that could prevent the contemplated transactions (under the Agreement) from proceeding.

12. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 5 February 2024, Strike released a Notice of Meeting and Explanatory Statement to seek shareholder approval for the sale of its Paulsens East Iron Ore Project to Miracle, pursuant to the terms of the Agreement (referred to in Note 11(b) (Contingencies – Tenement Royalties), at a general meeting to be held on 6 March 2024. Subject to receipt of Strike shareholder approval and completion of the Agreement thereafter, Miracle will also pay Orion \$2 million as consideration for the termination of the Royalty, with a further \$3 million payment deferred to 30 June 2024.

No other 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 2023 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
Executive Chairman and
Managing Director



Victor Ho
Executive Director and
Company Secretary

28 February 2024

QUESTE COMMUNICATIONS LIMITED
INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Queste Communications Limited.

Conclusion

We have reviewed the half-year financial report of Queste Communications Limited (“the Company”), and its controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit & 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 2023 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 Audit of the Financial Report* section of this 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.

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QUESTE COMMUNICATIONS LIMITED

INDEPENDENT AUDITOR'S REVIEW REPORT (continued)

Responsibilities of Those Charged with Governance

Those charged with governance are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as those charged with governance determines 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 Responsibilities for the Review of the 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 2023 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.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

Perth, 28 February 2024

SECURITIES INFORMATION

as at 31 December 2023

DISTRIBUTION OF LISTED ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	20	9,402	0.04%
1,001	-	5,000	42	114,511	0.42%
5,001	-	10,000	54	486,967	1.80%
10,001	-	100,000	78	2,282,449	8.43%
100,001	-	and over	23	24,179,003	89.31%
Total			217	27,072,332	100%

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	12,499	123	687,913	2.54%
12,500	-	over	94	26,384,419	97.46%
TOTAL			217	27,072,332	100.00%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 12,499 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 2023 of \$0.04 per share.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shareholding	Total Shares	% Voting Power
Geoff Wilson and Associates	Dynasty Peak Pty Ltd	5,391,975		19.92
Yaqoob Khan and Associate	Mr Yaqoob Khan	5,334,069	5,387,394	19.90
	KYA Pty Ltd	53,325		
Farooq Khan and Associate	Mr Farooq Khan & Ms Rosanna De Campo	4,921,295	5,344,872	19.74
	Island Australia Pty Ltd	423,577		
Renmuir Holdings Limited	Renmuir Holdings Ltd	3,003,688		11.10

SECURITIES INFORMATION

as at 31 December 2023

TOP 20 ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Shares Held	Total Shares	% Issued Capital
1	DYNASTY PEAK PTY LTD		5,391,975	19.92
2	YAQOOB KHAN	5,334,069		
	KYA CORPORATION PTY LTD	<u>53,325</u>		
		Sub-total	5,387,394	19.90
3	MR FAROOQ KHAN + MS ROSANNA DE CAMPO	4,921,295		
	ISLAND AUSTRALIA PTY LTD	<u>423,577</u>		
		Sub-total	5,344,872	19.74
4	RENMUIR HOLDINGS LTD		3,003,688	11.10
5	MR BOBBY VINCENT LI		1,324,919	4.89
6	GA & AM LEAVER INVESTMENTS PTY LTD		991,117	3.66
7	GIBSON KILLER PTY LTD		420,000	1.55
8	GLENVIEW SERVICES PTY LTD		380,000	1.40
9	MS ROSANNA DE CAMPO		268,100	0.99
10	FINCLEAR SERVICES NOMINEES PTY LIMITED		223,785	0.83
11	MR SANTOSA GUZZETTA		221,300	0.82
12	THE ESTATE OF MR AYUB KHAN		215,000	0.79
13	MRS AFIA KHAN		215,000	0.79
14	MR SIMON KENNETH CATO + MRS KAYE LOUISE HOPKINS	118,000		
	ROSEMONT ASSET PTY LTD	<u>75,000</u>		
		Sub-total	193,000	0.71
15	TOMATO 2 PTY LTD		185,019	0.68
16	MISS ALICE JANE LI		161,086	0.60
17	MR JOHN CHENG-HSIANG YANG + MS PEGA PING MOK		136,125	0.50
18	MR PETER SCARF + MRS IDA SCARF		134,948	0.50
19	MR EUGENE RODRIGUEZ		110,000	0.41
20	MRS MARY THERESE CAMILLERI		100,000	0.37
Total			24,407,328	90.15%