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# FULL YEAR REPORT

**ASX Appendix 4E Preliminary Final Report  
Directors' Report  
Auditor's Independence Declaration  
Financial Report  
Auditor's Report**

**30 June 2024**

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**ASX Code: QUE**

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

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**CORPORATE DIRECTORY****BOARD**

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

**COMPANY SECRETARY**

Victor Ho

**PRINCIPAL & REGISTERED OFFICE**

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# Results for Announcement to the Market

<b>Current Reporting Period:</b>	Financial year ended 30 June 2024
<b>Previous Corresponding Period:</b>	Financial year ended 30 June 2023
<b>Balance Date:</b>	30 June 2024
<b>Company:</b>	Queste Communications Ltd (ASX:QUE) ( <b>QUE</b> )
<b>Consolidated Entity:</b>	The Company and controlled entities ( <b>Queste</b> ), being Orion Equities Limited (ASX:OEQ) ( <b>OEQ</b> ) and controlled entities of OEQ ( <b>Orion</b> ).

## OVERVIEW OF RESULTS FOR ANNOUNCEMENT TO THE MARKET

COMPANY	2024 \$	2023 \$	Change %	Up/ Down
Total revenues	395	43	820%	Up
Net gain/(loss) on financial assets	524,589	(1,555,028)	134%	Down
Share of Associate entity's net loss	-	90,912	N/A	N/A
Other Expenses	(116,573)	(74,905)	56%	Up
<b>Profit/(Loss) before tax</b>	<b>408,411</b>	<b>(1,538,978)</b>	127%	Profit Up
Income tax expense	-	-		
<b>Profit/(Loss) for the year</b>	<b>408,411</b>	<b>(1,538,978)</b>	127%	Profit Up

  

CONSOLIDATED ENTITY	2024 \$	2023 \$	Change %	Up/ Down
Total revenues	42,723	245,465	83%	Down
Iron ore royalty entitlement termination payment	5,000,000	-	N/A	N/A
Impairment reversal on revaluation of property held for development or resale	-	100,000	N/A	N/A
Net gain/(loss) on financial assets	(200,000)	(499,998)	60%	Down
Share of Associate entity's profit/(loss)	-	(560,643)	100%	Down
Other Expenses	(543,248)	(134,522)	304%	Up
<b>Profit/(Loss) before tax</b>	<b>4,299,475</b>	<b>(849,698)</b>	06%	Profit Up
Income tax benefit/(expense)	(1,411,526)	-	N/A	N/A
<b>Profit/(Loss) for the year</b>	<b>2,887,949</b>	<b>(849,698)</b>	440%	Profit Up
Profit/Loss attributable to non-controlling interest	(1,205,852)	347,511	447%	Up
<b>Profit/(Loss) after tax attributable to members</b>	<b>1,682,097</b>	<b>(502,187)</b>	435%	Profit Up
Basic earnings/(loss) per share (cents)	6.21	(1.85)	603%	Profit Up
Pre-tax NTA backing per share (cents) (Parent interest)	12.65	3.32	282%	Up
Post-tax NTA backing per share (cents) (Parent interest)	7.44	3.32	124%	Up

## BRIEF EXPLANATION OF RESULTS AND COMMENTARY ON RESULTS AND OTHER SIGNIFICANT INFORMATION

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 profit for the financial year relate principally to Orion booking a \$5 million cash (gross) income on the termination of the Orion Royalty<sup>1</sup> in relation to the Paulsens East Iron Ore Project.<sup>2</sup> Orion initially received \$2 million in January 2024<sup>3</sup>, with an additional \$3 million deferred until 30 June 2024, which was received on 4 July 2024.<sup>4</sup>

- 1 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.
- 2 Refer OEQ ASX Announcement dated 3 January 2024: \$5 Million Receivable on Termination of Iron Ore Royalty Entitlement
- 3 Refer OEQ ASX Announcement dated 8 March 2024: \$2 Million Received on Termination of Iron Ore Royalty Entitlement
- 4 Refer OEQ ASX Announcement dated 4 July 2024: \$3 Million Deferred Payment Received on Termination of Iron Ore Royalty Entitlement

# Results for Announcement to the Market

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 30 June 2024) 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 2 cents per share (valuing Queste's investment at \$0.025m and Orion's investment at \$0.41m) and Bentley's after-tax NTA value of 1.8 cents per share (valuing Queste's investment at \$0.022m and Orion's investment at \$0.37m based on Bentley's NTA backing), as at 30 June 2024.

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 also 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 3.3 cents (on 15 February 2024) to 7.9 cents (on 13 July 2023) in the past 12 months, with a bid price of 4 cents (as at 30 June 2024) and a current price of 3 cents (as at 27 August 2024).

Further information about Orion's operations financial position and performance for the financial year ended 30 June 2024 are outlined in Orion's 30 June 2024 Full Year Report.

Further information about Bentley's operations financial position and performance for the financial year ended 30 June 2024 are outlined in Bentley's 30 June 2024 Full Year Report.

Please refer to the attached Directors' Report and Financial Report for further information on a review of the Consolidated Entity's operations and the financial position and performance of the Consolidated Entity and Company for the year ended 30 June 2024.

Notwithstanding the accounting carrying 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:

Investment	Shareholding	ASX Market Value <sup>5</sup>	
		30 June 2024	30 June 2023
Orion Equities Limited (ASX:OEQ)	9,367,653	\$1,217,795	\$693,206
Bentley Capital Limited (ASX:BEL)	1,225,752	\$24,515	\$57,610
	<b>Total</b>	<b>\$1,242,310</b>	<b>\$750,816</b>

## DIVIDENDS

The Directors have not declared a dividend in respect of the financial year ended 30 June 2024.

## ASSOCIATE ENTITY

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

- 26.946% (20,513,783 shares) interest in ASX-listed Bentley Capital Limited (ASX:BEL) (2023: 26.946% (20,513,783 shares)).

The Company also has a 1.61% (1,225,752 shares) direct interest in Bentley (2023: 1.61% (1,225,752 shares)).

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

<sup>5</sup> Based on closing bid price on ASX

# Results for Announcement to the Market

## CONTROLLED ENTITIES

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

For and on behalf of the Directors,



Victor Ho  
Executive Director and Company Secretary

Date: 29 August 2024

Telephone: (08) 9214 9777

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 year ended 30 June 2024 (**Balance Date**).

QUE 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 incorporate 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)).

## PRINCIPAL ACTIVITIES

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

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

## FINANCIAL POSITION

<b>COMPANY</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Cash and cash equivalents	4,636	11,773
Current investments – equities	2	2
Investment in controlled entity (OEQ)	1,217,795	693,206
Investment in Associate entity (BEL)	-	-
Receivables	-	754
Other assets	1,158	2,072
<b>Total Assets</b>	<b>1,223,591</b>	<b>707,807</b>
Loan from controlled entity	(236,583)	(165,403)
Other payables and liabilities	(335,587)	(299,394)
<b>Net Assets</b>	<b>651,421</b>	<b>243,010</b>
Issued capital	6,239,370	6,239,370
Reserves	4,480,557	4,480,557
Accumulated losses	(10,068,506)	(10,476,917)
<b>Total Equity</b>	<b>651,421</b>	<b>243,010</b>

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

<b>Investment</b>	<b>Shareholding</b>	<b>ASX Market Value<sup>1</sup></b>	
		<b>30 June 2024</b>	<b>30 June 2023</b>
Orion Equities Limited (ASX:OEQ)	9,367,653	\$1,217,795	\$693,206
Bentley Capital Limited (ASX:BEL)	1,225,752	\$24,515	\$57,610
Total		<b>\$1,242,310</b>	<b>\$750,816</b>

1 Based on closing bid price on ASX

# DIRECTORS' REPORT

## OPERATING RESULTS

COMPANY	2024	2023
	\$	\$
Total revenues	395	43
Net gain/(loss) on financial assets	524,589	(1,555,028)
Share of Associate entity's net loss	-	90,912
Other Expenses	(116,573)	(74,905)
<b>Profit/(Loss) before tax</b>	<b>408,411</b>	<b>(1,538,978)</b>
Income tax expense	-	-
<b>Profit/(Loss) for the year</b>	<b>408,411</b>	<b>(1,538,978)</b>

## EARNINGS PER SHARE

CONSOLIDATED ENTITY	2024	2023
Basic and diluted earnings/(loss) per share (cents)	6.21	(1.85)
Weighted average number of fully paid ordinary shares in the Company outstanding during the year used in the calculation of basic and diluted loss per share	27,072,332	27,072,332

## CONSOLIDATED FINANCIAL PERFORMANCE

Queste's results incorporate the results of Orion.

Queste's overall net profit for the financial year relate principally to Orion booking a \$5 million cash (gross) income on the termination of the Orion Royalty<sup>2</sup> in relation to the Paulsens East Iron Ore Project.<sup>3</sup> Orion initially received \$2 million in January 2024<sup>4</sup>, with an additional \$3 million deferred until 30 June 2024, which was received on 4 July 2024.<sup>5</sup>

Queste accounts for Bentley Capital Limited (ASX:BEL) as an Associate entity, which means that Queste is required to recognise a share of BEL's net profit or loss in respect of the financial period based on QUE's (28.556% as at 30 June 2024) direct and indirect shareholding interest in BEL (this is known as the equity method of accounting for an associate entity).

As a result, Queste's carrying value of its investment in BEL has been reduced from cost to nil – as a consequence of Queste's accumulated recognition of BEL's net losses. This compares with Bentley's last closing price on ASX of 2 cents per share (valuing Queste's investment at \$0.025m and Orion's investment at \$0.41m) and Bentley's after-tax NTA value of 1.8 cents per share (valuing Queste's investment at \$0.022m and Orion's investment at \$0.37m based on Bentley's NTA backing), as at 30 June 2024.

Queste 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, Queste will recognise a share of BEL's net profits under the equity method, which will permit Queste to recognise a positive carrying value for BEL.

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

2 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.

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5 Refer OEQ ASX Announcement dated 4 July 2024: \$3 Million Deferred Payment Received on Termination of Iron Ore Royalty Entitlement

# DIRECTORS' REPORT

The SRK share price has traded within a range of 3.3 cents (on 15 February 2024) to 7.9 cents (on 13 July 2023) in the past 12 months, with a bid price of 4 cents (as at 30 June 2024) and a current price of 3 cents (as at 27 August 2024).

Further information about Orion's operations financial position and performance for the financial year ended 30 June 2024 are outlined in Orion's 30 June 2024 Full Year Report.

Further information about Bentley's operations financial position and performance for the financial year ended 30 June 2024 are outlined in Bentley's 30 June 2024 Full Year Report.

## DIVIDENDS

The Company's Directors have not declared a dividend in respect of the financial year ended 30 June 2024.

## SECURITIES ON ISSUE

At the Balance Date (and currently), the Company had 27,072,332 listed fully paid ordinary shares (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 an investment entity.

The Company holds 9,367,653 shares in Orion, being 59.86% of its issued ordinary share capital (2023: 9,367,653 shares and 59.86%). Orion has been recognised as a controlled entity and included as part of the Queste's results since 1 July 2002.

Queste's shareholders are advised to refer to the 30 June 2024 Full Year Report and monthly NTA disclosures lodged by Orion for further information about the status and affairs of the company.

Information concerning Orion may be viewed from its website: [www.orionequities.com.au](http://www.orionequities.com.au).

Orion's market announcements may also be viewed from the ASX website ([www.asx.com.au](http://www.asx.com.au)) under ASX code "OEQ".

Sections 1.2 and 1.3 below contain information extracted from Orion's public statements.

#### 1.2. Orion's Portfolio Details as at 30 June 2024

##### Asset Weighting

	% of Net Assets	
	2024	2023
Australian equities	8%	27%
Property held for development and resale	35%	82%
Net tax liabilities (current-year and deferred tax assets/liabilities)	(27)%	-
Net cash/other assets and provisions	84%	(9)%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>



# DIRECTORS' REPORT

## Major Holdings in Securities Portfolio

Equities	Fair Value \$'million	% of Net Assets	ASX Code	Industry Sector Exposures
Bentley Capital Limited	0.41	8%	BEL	Diversified
Strike Resources Limited	0.40	8%	SRK	Materials
<b>TOTAL</b>	<b>0.81</b>	<b>16%</b>		

### 1.3. Orion's Assets

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

Bentley is an LIC with a current exposure to Australian equities.

Queste holds 1.61% (1,225,752 shares) of Bentley's issued ordinary share capital with Orion holding 26.95% (20,513,783 shares) of Bentley's issued ordinary share capital (2023: Queste held 1,225,752 shares (1.61%) and Orion held 20,513,783 shares (26.95%)).

Shareholders are advised to refer to the 30 June 2024 Full Year Report and monthly NTA disclosures lodged by Bentley for further information about the status and affairs of the company.

Information concerning Bentley may be viewed from its website: [www.bel.com.au](http://www.bel.com.au).

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

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

As at 30 June 2024 and currently, Orion holds 10,000,000 Strike shares (3.52%) (2023: 10,000,000 shares; 3.52%) while Associate entity, Bentley, holds 56,739,857 Strike shares (19.996%) (2023: 56,739,857 shares; 19.996%). Therefore, Orion has a deemed relevant interest in 66,739,857 Strike shares.

The SRK share price has traded within a range of 3.3 cents (on 15 February 2024) to 7.9 cents (on 13 July 2023) in the past 12 months, with a bid price of 4 cents (as at 30 June 2024) and a current price of 3 cents (as at 27 August 2024).

Strike is an ASX listed resource company which 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 27.7% (31.01 million shares) interest in Lithium Energy Limited (ASX:LEL), which was spun-out of Strike under a \$9 Million IPO in May 2021.<sup>6</sup>

On 8 March 2024<sup>7</sup>, after the receipt of shareholder approval<sup>8</sup>, Strike completed the sale of its Paulsens East Iron Ore Project (located in Western Australia) (**Paulsens East**) in consideration of \$20.5 million cash, which sale proceeds was also used to discharge a \$11.26 million loan borrowed to finance Strike's iron ore operations at Paulsens East.

Post the sale of Paulsens East, Strike is focussed on the advancement of its Apurimac Iron Ore Project in Peru (**Apurimac**).<sup>9</sup>

6 Based on SRK ASX announcement dated 31 July 2024: Quarterly Reports – 30 June 2024

7 Refer SRK ASX Announcements dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project and 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project and

8 Refer SRK ASX Announcement dated 6 March 2024: Results of General Meeting and SRK Notice of General Meeting, Explanatory Statement and Proxy Form dated and released on ASX 5 February 2024

9 Refer SRK ASX Announcements dated 31 July 2024: Quarterly Reports – 30 June 2024 and 5 July 2024: Company Update

# DIRECTORS' REPORT

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

- 31 July 2024: Quarterly Reports – 30 June 2024;
- 30 April 2024: Quarterly Reports – 31 March 2024; and
- 14 March 2024: Half Year Report – 31 December 2023.

Information concerning Strike may be viewed from its website: [www.strikeresources.com.au](http://www.strikeresources.com.au).

Strike's market announcements may also be viewed from the ASX website ([www.asx.com.au](http://www.asx.com.au)) under ASX: "SRK".

Strike is also the largest shareholder of Lithium Energy Limited (ASX:LEL) with 31,010,000 shares (27.69%) (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 May 2021.<sup>10</sup>

The LEL share price has traded within a range of \$0.29 (on 14 February 2024) to \$0.95 (on 4 July 2023) in the past 12 months, with a bid price of \$0.37 (as at 30 June 2024) and a current price of \$0.35 (as at 27 August 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 delineated<sup>11</sup>) located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Prior to the announced sale of the Solaroz Project (settlement pending)<sup>12</sup>, Lithium Energy had completed a Scoping Study on Solaroz and had been investigating the development of a 20/40ktpa lithium carbonate equivalent (LCE) production facility using conventional evaporation ponds; Lithium Energy has also been evaluating direct-lithium extraction (DLE) technologies. The Burke and Corella Graphite Projects (LEL:100%) in Queensland, Australia, contains high grade JORC Indicated and Inferred Mineral Resources of graphite.<sup>13</sup>

On 3 April 2024, Lithium Energy and NOVONIX Limited (ASX:NVX) announced the merger of their adjoining Burke and Mt Dromedary Queensland Natural Graphite Deposits into Lithium Energy subsidiary, Axon Graphite Limited (Proposed ASX Code: AXG) (**Axon Graphite** or **AXG**), which will undertake a \$15 Million to \$25 Million IPO and seek admission to ASX as a dedicated vertically-integrated mine to battery anode material product manufacturing company.<sup>14</sup>

On 30 April 2024, Lithium Energy announced the sale of its interest in the Solaroz Project to a subsidiary of CNGR Advanced Materials Co Ltd for US\$63 Million (~A\$97 Million<sup>15</sup>) cash; completion is subject to the satisfaction (or waiver, as applicable) of a number of conditions precedent, including receipt of Lithium Energy shareholder approval (which was attained on 8 March 2024<sup>16</sup>), receipt of regulatory approvals (in China<sup>17</sup> and Argentina, as required) and receipt of environmental and concession related approvals relating to Solaroz.<sup>18</sup>

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

11 Refer LEL ASX announcement dated 29 June 2023: Significant Maiden JORC Lithium Resource of 3.3Mt LCE at Solaroz Project in Argentina

12 Refer LEL's ASX Announcement dated 30 April 2024: Sale of Solaroz Lithium Project for A\$97 Million

13 Based on LEL ASX announcement released on 31 July 2024: Quarterly Reports – 30 June 2024

14 Refer LEL ASX Announcement dated 3 April 2024: Merger of Lithium Energy and NOVONIX Natural Graphite Assets and Proposed Axon Graphite Limited Spin-Out and IPO

15 Based on an exchange rate of A\$1.00 : US\$0.65

16 Refer LEL ASX Announcement dated 8 August 2024: Results of General Meeting and LEL Notice of General Meeting, Explanatory Statement and Proxy Form dated and released on ASX on 3 July 2024

17 Refer LEL ASX Announcement dated 3 June 2024: Chinese Regulatory Approvals Secured by CNGR to Acquire Solaroz Lithium Project

18 Refer LEL ASX Announcements dated 8 August 2024: Shareholders Approve Sale of Interests in Solaroz Lithium Brine Project and 30 April 2024: Sale of Solaroz Lithium Project for A\$97 Million

# DIRECTORS' REPORT

Pending completion of the sale of Solaroz, Lithium Energy will focus on advancing the Axon Graphite IPO and securing the relevant approvals required to satisfy applicable conditions relating to the sale of Solaroz.<sup>19</sup>

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

- 31 July 2024: Quarterly Report – 30 June 2024;
- 30 April 2024: Quarterly Reports – 31 March 2024; and
- 4 March 2024: Half Year Report – 31 December 2023.

Information concerning Lithium Energy may be viewed from its website: [www.lithiumenergy.com.au](http://www.lithiumenergy.com.au).

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

## (c) **\$5 Million Income from Termination of Iron Ore Royalty Entitlement**<sup>20</sup>

As part of Strike's sale of its Paulsens East Iron Ore Project<sup>21</sup>, the buyer had requested the cancellation of the Orion Royalty<sup>2</sup> that was payable to CXM Pty Ltd (**CXM**) for iron ore produced from Paulsens East (with CXM being a wholly-owned subsidiary of Orion) and CXM agreed to do so (under the sale agreement) on the following terms (at completion of the agreement):

- (a) CXM agreed to terminate and provide releases to the purchaser of Paulsens East under the Orion Royalty; and
- (b) The purchaser agreed 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.

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.<sup>2</sup> CXM had received \$206,661 in royalty payments from Strike to date (during the 2022/2023 financial year).

Completion of the sale agreement occurred on 8 March 2024<sup>7</sup> after receipt of Strike shareholder approval<sup>8</sup>.

## (d) **Other Assets**

Orion owns a property held for redevelopment or sale but 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 (or 1.61% of Bentley's issued ordinary share capital) (2023: 1,225,752 shares and 1.61%).

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

<sup>19</sup> Refer LEL ASX Announcement dated 8 August 2024: Shareholders Approve Sale of Interests in Solaroz Lithium Brine Project

<sup>20</sup> Refer OEQ ASX Announcement dated 3 January 2024: \$5 Million Receivable on Termination of Iron Ore Royalty Entitlement

<sup>21</sup> Refer SRK ASX Announcements dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project and 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project and

# DIRECTORS' REPORT

## 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.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

## FUTURE DEVELOPMENTS

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

## ENVIRONMENTAL REGULATION

The Consolidated Entity is not subject to any particular or significant environmental regulation under Australian Commonwealth or State legislation.

# DIRECTORS' REPORT

## DIRECTORS

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

<b>Farooq Khan</b>	<b>Executive Chairman and Managing Director</b>
<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 <sup>22</sup>
<i>Other current directorships in listed entities</i>	<ol style="list-style-type: none"> <li>(1) Executive Chairman of Bentley Capital Limited (ASX:BEL) (since 2 December 2003)</li> <li>(2) Executive Chairman of Orion Equities Limited (ASX:OEQ) (since 23 October 2006)</li> <li>(3) Executive Chairman (since 18 December 2015) of Strike Resources Limited (ASX:SRK) (Director since 1 October 2015)</li> <li>(4) Executive Director of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)</li> </ol>
<i>Former directorships in other listed entities in past 3 years</i>	None

<b>Victor P. H. Ho</b>	<b>Executive Director and Company Secretary</b>
<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>	<p>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.</p> <p>Mr Ho has been actively involved in the executive management of listed resources companies, 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&amp;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.</p>
<i>Relevant interest in shares</i>	17,500 shares <sup>23</sup>
<i>Other current positions held in listed entities</i>	<ol style="list-style-type: none"> <li>(1) Executive Director and Company Secretary of Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003)</li> <li>(2) Executive Director and Company Secretary of Strike Resources Limited (ASX:SRK) (Director since 24 January 2014 and Company Secretary since 1 October 2015)</li> <li>(3) Company Secretary of Bentley Capital Limited (ASX:BEL) (since 5 February 2004)</li> <li>(4) Company Secretary of Lithium Energy Limited (ASX:LEL) (since 14 January 2021)</li> </ol>
<i>Former positions in other listed entities in past 3 years</i>	-

<sup>22</sup> Refer Farooq Khan's Change of Director's Interest Notices dated 10 July 2019

<sup>23</sup> Refer Victor Ho's Initial Director's Interest Notice dated 3 April 2013

# DIRECTORS' REPORT

## Yaqoob Khan

### Non-Executive Director

*Appointed* 10 March 1998

*Qualifications* BCom (Western Australia), Master of Science in Industrial Administration (Carnegie Mellon)

*Experience* After working for several years in the Australian Taxation Office, 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.

*Relevant interest in shares* 5,387,394 shares<sup>24</sup>

*Other current directorships in listed entities* Non-Executive Director of Orion Equities Limited (ASX:OEQ) (since 5 November 1999).

*Former directorships in other listed entities in past 3 years* None

## DIRECTORS' MEETINGS

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

Name of Director	Meetings Attended	Maximum Possible Meetings
Farooq Khan	7	7
Yaqoob Khan	7	7
Victor Ho	7	7

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

### Board Committees

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

<sup>24</sup> Refer Yaqoob Khan's Change of Director's Interest Notice dated 30 March 2022

# REMUNERATION REPORT

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

The information provided under headings (1) to (6) below has been audited for compliance with section 300A of the *Corporations Act 2001 (Cth)* as required under section 308(3C).

## (1) Remuneration Policy

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

**Corporate Governance Principles:** The Company's Corporate Governance Statement (**CGS**) also addresses matters pertaining to the Board, Senior Management and Remuneration. The latest version of the CGS may be downloaded from the Company's website: <http://queste.com.au/corporate-governance>.

**Fixed Cash Short Term Employment Benefits:** The Key Management Personnel of the Company are paid a fixed amount per annum plus applicable employer superannuation contributions. The Non-Executive Directors of the Company are paid a maximum aggregate base remuneration of \$75,000<sup>30</sup> per annum inclusive of minimum employer superannuation contributions where applicable, to be divided as the Board determines appropriate.

The Board has determined the following fixed cash remuneration for current Key Management Personnel as follows (as at 30 June 2024):

### Executive Director

- (1) Mr Farooq Khan (Executive Chairman and Managing Director) - a base annual salary of \$31,250 (voluntarily reduced from \$125,000) to assist the Company in reducing its corporate overheads) per annum plus employer superannuation contributions (which Mr Khan has voluntarily agreed to suspend in respect of the financial year); and
- (2) Mr Victor Ho (Executive Director and Company Secretary) - a base annual salary of \$22,500 (voluntarily reduced from \$45,000) per annum plus employer superannuation contributions (which Mr Ho has voluntarily agreed to suspend in respect of the financial year). Mr Ho also agreed to join the Board as an Executive Director on 3 April 2013 at no further cost to the Company.

### Non – Executive Director

- (3) Mr Yaqoob Khan (Non-Executive Director) - a base annual fee of \$25,000 per annum (the payment of which Mr Khan has voluntarily agreed to suspend in respect of the financial year).

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

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

- (a) Payment for reimbursement of all travelling, hotel and other expenses reasonably incurred by a Director for the purpose of attending meetings of the Board or otherwise in and about the business of the Company; and
- (b) In respect of Non-Executive Directors, payment for the performance of extra services or the making of special exertions for the benefit of the Company (at the request of and with the concurrence of the Board).

<sup>30</sup> As approved by shareholders at the Annual General Meeting held on 30 November 1999; refer Queste's ASX announcement dated 30 November 1999: Results of Annual General Meeting of Shareholders

# REMUNERATION REPORT

**Short-Term Benefits:** The Company does not have any short-term incentive (**STI**) cash bonus schemes (or equivalent) in place for Key Management Personnel.

**Long-Term Benefits:** The Company does not have any long-term incentive (**LTI**) cash bonus schemes (or equivalent) in place for Key Management Personnel.

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

**Post-Employment Benefits:** The Company does not presently provide retirement benefits to Key Management Personnel. Other than compulsory superannuation contribution and early termination benefits disclosed in 'Employment Agreement' below, Key Management Personnel also have no right to termination payments save for payment of accrued unused annual and long service leave (where applicable) (these accrued employee entitlements are not applicable in respect of Non-Executive Directors). The Company notes that shareholder approval is required where a Company proposes to make a "termination payment" (for example, a payment in lieu of notice, a payment for a post-employment restraint and payments made as a result of the automatic or accelerated vesting of share based payments) in excess of one year's "base salary" (defined as the average base salary over the previous 3 years) to a director or any person who holds a managerial or executive office.

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

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

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

	2024	2023	2022	2021	2020
Profit/(Loss) Before Income Tax (\$)	4,299,475	(849,698)	(4,189,159)	5,259,241	(847,983)
Basic Earnings/(Loss) per Share (cents)	6.21	(1.85)	(9.64)	11.60	(1.96)
Dividends Paid (\$)	-	-	-	-	-
VWAP Share Price on ASX for financial year (cents)	4.1	3.2	6.0	4.3	3.1
Closing Bid Share Price at 30 June (cents)	5	2.4	4.3	6	2.2



# REMUNERATION REPORT

## (2) Employment Agreement

Details of the material terms of an employment agreement entered by the Company with a Key Management Personnel are as follows:

Key Management Personnel and Position(s) Held	Relevant Date(s)	Base Salary/Fees per annum	Other Material Terms
Victor Ho	25 January 2000 (date of employment agreement)	\$45,000 (but voluntarily reduced to \$22,500, as at 30 June 2021)	<ul style="list-style-type: none"> <li>The agreement has no fixed term or fixed rolling terms of service.</li> <li>Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus entitlement to long service leave of 60 days after 7 years of service with an additional 5 days after each year of service thereafter.</li> <li>One month's notice of termination by the Company or employee. Immediate termination without notice if employee commits any serious act of misconduct.</li> </ul>
Company Secretary (since 30 August 2000)	2009/2010 (date of effect of current remuneration)	plus employer superannuation contributions	
Executive Director (since 3 April 2013)			

The Company does not presently have formal service agreements or employment agreements with any other Key Management Personnel.

## (3) Details of Remuneration of Key Management Personnel

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

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

Key Management Person	Performance related %	Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	Total \$
		Cash, salary and commissions	Non-cash benefit	Superannuation	Long service leave	Shares & Options	
		\$	\$	\$	\$	\$	
<b>Executive Directors:</b>							
Farooq Khan	-	-(A)	-	-	-	-	-
Victor Ho	-	-(A)	-	-	-	-	-
<b>Non-Executive Director:</b>							
Yaqoob Khan	-	-(A)	-	-	-	-	-

(A) All Directors have voluntarily agreed to suspend their salaries in respect of the financial year

Key Management Person	Performance related %	Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	Total \$
		Cash, salary and commissions	Non-cash benefit	Superannuation	Long service leave	Shares & Options	
		\$	\$	\$	\$	\$	
<b>Executive Directors:</b>							
Farooq Khan	-	-(A)	-	-	-	-	-
Victor Ho	-	-(A)	-	-	-	-	-
<b>Non-Executive Director:</b>							
Yaqoob Khan	-	-(A)	-	-	-	-	-

(B) All Directors have voluntarily agreed to suspend their salaries in respect of the financial year

# REMUNERATION REPORT

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

2024		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	Total
Key Management Personnel	Performance related %	Cash, salary and commissions	Non-cash benefit	Superannuation	Long service leave	Shares & Options	
		\$	\$	\$	\$	\$	\$
<b>Executive Directors:</b>							
Farooq Khan	-	225,000 <sup>(A)</sup>	-	24,750	-	-	249,750
Victor Ho	-	150,000 <sup>(B)</sup>	-	16,500	-	-	166,500
<b>Non-Executive Director:</b>							
Yaqoob Khan	-	50,000 <sup>(C)</sup>	-	-	-	-	50,000

(A) Includes \$150,000 salaries in respect of the 2023 and 2022 financial years

(B) Includes \$100,000 salaries in respect of the 2023 and 2022 financial years

(C) Includes \$25,000 fees in respect of the 2023 financial year

2023		Short-term Benefits		Post-Employment Benefits	Other Long-term Benefits	Equity Based	Total
Key Management Personnel	Performance related %	Cash, salary and commissions	Non-cash benefit	Superannuation	Long service leave	Shares & Options	
		\$	\$	\$	\$	\$	\$
<b>Executive Directors:</b>							
Farooq Khan	-	-(D)	-	-	-	-	-
Victor Ho	-	-(D)	-	-	-	-	-
<b>Non-Executive Director:</b>							
Yaqoob Khan	-	-(E)	-	-	-	-	-

(A) Farooq Khan and Victor Ho had voluntarily agreed to suspend their salaries in respect of the 2023 and 2022 financial years

(B) Yaqoob Khan had voluntarily agreed to suspend his fees in respect of the 2023 financial year

Victor Ho is also Company Secretary of Queste and Orion.

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

#### (4) Other Benefits Provided to Key Management Personnel

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

#### (5) Engagement of Remuneration Consultants

The Company has not engaged any remuneration consultants to provide remuneration recommendations in relation to Key Management Personnel during the year. The Board has established a policy for engaging external Key Management Personnel remuneration consultants which includes, inter alia, that the Non-Executive Directors on the Remuneration Committee be responsible for approving all engagements of and executing contracts to engage remuneration consultants and for receiving remuneration recommendations from remuneration consultants regarding Key Management Personnel. Furthermore, the Company has a policy that remuneration advice provided by remuneration consultants be quarantined from Management where applicable.

# REMUNERATION REPORT

## (6) Shares held by Key Management Personnel

The number of ordinary shares in the Company held by Key Management Personnel is set below:

Key Management Personnel	Balance at 30 June 2023	Additions	Received as part of remuneration	Disposals	Balance at 30 June 2024
<b>Executive Directors:</b>					
Farooq Khan	5,612,972	-	-	-	5,612,972
Victor Ho	17,500	-	-	-	17,500
<b>Non-Executive Director:</b>					
Yaqoob Khan	5,387,394	-	-	-	5,387,394

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

## (7) Voting and Comments on the Remuneration Report at the 2023 AGM

At the Company's most recent (2023) AGM, a resolution to adopt the prior year (2023) Remuneration Report was put to the vote and passed on a poll (called by the Chair) with 94.47% in favour of adopting the Remuneration Report<sup>31</sup>. No comments were made on the Remuneration Report that was considered at the AGM.

This concludes the audited Remuneration Report.

31 Refer Queste's ASX announcement dated 16 November 2023: Results of 2023 Annual General Meeting

# DIRECTORS' REPORT

## DIRECTORS DEEDS

In addition to the rights of indemnity provided under the Company's Constitution (to the extent permitted by the *Corporations Act 2001 (Cth)*), the Company has also entered into a deed with each of the Directors and the Company Secretary (**Officer**) to regulate certain matters between the Company and each Officer, both during the time the Officer holds office and after the Officer ceases to be an officer of the Company, including the following matters:

- (a) The Company's obligation to indemnify an Officer for liabilities or legal costs incurred as an officer of the Company (to the extent permitted by the *Corporations Act 2001 (Cth)*); and
- (b) Subject to the terms of the deed and the *Corporations Act 2001 (Cth)*, the Company may advance monies to the Officer to meet any costs or expenses of the Officer incurred in circumstances relating to the indemnities provided under the deed and prior to the outcome of any legal proceedings brought against the Officer.

## LEGAL PROCEEDINGS ON BEHALF OF CONSOLIDATED ENTITY

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

## AUDITOR

Details of the amounts paid or payable to the Auditor for audit and non-audit services (tax services) provided during the financial year are set out below:

Auditor	Consolidated Entity			Company		
	Audit & Review Fees	Non-Audit Services	Total	Audit & Review Fees	Non-Audit Services	Total
	\$	\$	\$	\$	\$	\$
In.Corp Audit & Assurance Pty Ltd	25,200	-	25,200	12,000	-	12,000

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

In.Corp Audit & Assurance Pty Ltd continues in office in accordance with section 327C of the *Corporations Act 2001 (Cth)*.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001 (Cth)* forms part of this Directors Report and is set out on page 21. This relates to the Independent Auditor's Report, where the Auditor states that they have issued an independence declaration.

## EVENTS SUBSEQUENT TO BALANCE DATE

The Directors are not aware of any other matters or circumstances at the date of this Directors' Report, other than those referred to in this Directors' Report (in particular, in Review of Operations) or the financial statements or notes thereto (in particular Note 24, that have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Company in subsequent financial years.

# DIRECTORS' REPORT

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



Farooq Khan  
Executive Chairman and  
Managing Director

29 August 2024



Victor Ho  
Executive Director and  
Company Secretary

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

To the directors of Queste Communications Limited:

As lead auditor of the audit of Queste Communications Limited for the year ended 30 June 2024, 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 audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

**29 August 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 year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Revenue</b>	2	61,510	38,804
<b>Other</b>			
Iron ore royalty entitlement termination payment		5,000,000	-
Other income		(18,787)	206,661
Impairment reversal on revaluation of property held for development or resale		-	100,000
<b>Total revenue</b>		<b>5,042,723</b>	<b>345,465</b>
<b>Expenses</b>	3		
Share of Associate entity's net loss		-	(560,643)
Net loss on financial assets at fair value through profit or loss		(200,000)	(499,998)
Land operation expenses		(9,649)	(9,712)
Personnel expenses		(440,067)	(33,751)
Occupancy expenses		(659)	(8,583)
Corporate expenses		(54,652)	(56,680)
Finance expenses		(178)	(317)
Administration expenses		(38,043)	(25,479)
<b>Profit/(Loss) before tax</b>		<b>4,299,475</b>	<b>(849,698)</b>
Income tax expense	5	(1,411,526)	-
<b>Profit/(Loss) after income tax</b>		<b>2,887,949</b>	<b>(849,698)</b>
<b>Other comprehensive income</b>			
Other comprehensive income, after tax		-	-
<b>Total comprehensive income for the year</b>		<b>2,887,949</b>	<b>(849,698)</b>
<b>Profit/(Loss) attributable to:</b>			
Owners of Queste Communications Ltd		1,682,097	(502,187)
Non-controlling interest		1,205,852	(347,511)
		<b>2,887,949</b>	<b>(849,698)</b>
<b>Total comprehensive income for the year is attributable to:</b>			
Owners of Queste Communications Ltd		1,682,097	(502,187)
Non-controlling interest		1,205,852	(347,511)
		<b>2,887,949</b>	<b>(849,698)</b>
<b>Basic and diluted earnings/(loss) per share (cents) attributable to the ordinary equity holders of the Company</b>	6	<b>6.21</b>	<b>(1.85)</b>

The accompanying notes form part of these consolidated financial statements

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## as at 30 June 2024

	Note	2024 \$	2023 \$
<b>Current assets</b>			
Cash and cash equivalents	7	1,462,979	148,180
Financial assets at fair value through profit or loss	8	400,002	600,002
Receivables	11	3,000,000	1,407
<b>Total current assets</b>		<b>4,862,981</b>	<b>749,589</b>
<b>Non current assets</b>			
Property held for development or resale	12	1,850,000	1,850,000
Investment in Associate entity	20	-	-
Property, plant and equipment		2,016	3,227
<b>Total non current assets</b>		<b>1,852,016</b>	<b>1,853,227</b>
<b>Total assets</b>		<b>6,714,997</b>	<b>2,602,816</b>
<b>Current liabilities</b>			
Payables	13	320,634	145,367
Provisions	14	1,613,753	251,332
<b>Total current liabilities</b>		<b>1,934,387</b>	<b>396,699</b>
<b>Non Current liabilities</b>			
Payables	13	91,636	405,092
<b>Total liabilities</b>		<b>2,026,023</b>	<b>801,791</b>
<b>Net assets</b>		<b>4,688,974</b>	<b>1,801,025</b>
<b>Equity</b>			
Issued capital	15	6,239,370	6,239,370
Reserves	16		
Profits reserve		13,011,391	9,414,438
Option premium reserve		2,138,012	2,138,012
Other reserve		318,164	884,748
Accumulated losses		(19,694,035)	(17,779,179)
<b>Parent interest</b>		<b>2,012,902</b>	<b>897,389</b>
Non-controlling interest	17	2,676,072	903,636
<b>Total equity</b>		<b>4,688,974</b>	<b>1,801,025</b>

The accompanying notes form part of these consolidated financial statements



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## for the year ended 30 June 2024

	Issued capital \$	Reserves \$	Accumulated losses \$	Non- controlling interest \$	Total \$
<b>Balance at 1 July 2022</b>	<b>6,239,370</b>	<b>12,104,082</b>	<b>(16,943,876)</b>	<b>1,251,147</b>	<b>2,650,723</b>
Loss for the year	-	-	(502,187)	(347,511)	<b>(849,698)</b>
Profits reserve transfer	-	333,116	(333,116)	-	-
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>333,116</b>	<b>(835,303)</b>	<b>(347,511)</b>	<b>(849,698)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Transactions with non-controlling interest	-	-	-	-	-
<b>Balance at 30 June 2023</b>	<b>6,239,370</b>	<b>12,437,198</b>	<b>(17,779,179)</b>	<b>903,636</b>	<b>1,801,025</b>
<b>Balance at 1 July 2023</b>	<b>6,239,370</b>	<b>12,437,198</b>	<b>(17,779,179)</b>	<b>903,636</b>	<b>1,801,025</b>
Profit for the year	-	-	1,682,097	1,205,852	<b>2,887,949</b>
Profits reserve transfer	-	3,596,953	(3,596,953)	-	-
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>3,596,953</b>	<b>(1,914,856)</b>	<b>1,205,852</b>	<b>2,887,949</b>
<b>Transactions with owners in their capacity as owners:</b>					
Transactions with non-controlling interest	-	(566,584)	-	566,584	-
<b>Balance at 30 June 2024</b>	<b>6,239,370</b>	<b>15,467,567</b>	<b>(19,694,035)</b>	<b>2,676,072</b>	<b>4,688,974</b>

The accompanying notes form part of these consolidated financial statements

# CONSOLIDATED STATEMENT OF CASH FLOWS

## for the year ended 30 June 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		37,700	37,700
Iron ore royalty entitlement termination payment		2,000,000	-
Interest received		23,810	1,104
Payments to suppliers and employees		(746,711)	(120,202)
Other receipts		-	206,661
<b>Net cash provided by operating activities</b>	<b>7(a)</b>	<b>1,314,799</b>	<b>125,263</b>
<b>Cash flows from financing activities</b>			
Orion dividends paid		-	(135)
<b>Net cash used in financing activities</b>		<b>-</b>	<b>(135)</b>
<b>Net increase in cash held</b>		<b>1,314,799</b>	<b>125,128</b>
Cash and cash equivalents at beginning of financial year		148,180	23,052
<b>Cash and cash equivalents at end of financial year</b>	<b>7</b>	<b>1,462,979</b>	<b>148,180</b>

The accompanying notes form part of these consolidated financial statements

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 1. ABOUT THIS REPORT

#### 1.1 Background

This financial report covers the consolidated financial statements of the consolidated entity consisting of Queste Communications Ltd, its subsidiary (controlled entity, Orion Equities Limited ABN 77 000 742 843 (ASX:OEQ) (**Orion** or **OEQ**) and Orion's controlled entities) and an investment in its associate entity Bentley Capital Limited (ASX:BEL) ABN 87 088 128 218 (**Bentley** or **BEL**) (the **Consolidated Entity** or **Queste**). The financial report is presented in the Australian currency.

Queste Communications Ltd (ASX:QUE) (the **Company** or **QUE**) is a company limited by shares, incorporated in Western Australia, Australia and whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

These financial statements have been prepared on a streamlined basis where key information is grouped together for ease of understanding and readability. The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Consolidated Entity.

Information is considered material and relevant if, for example:

- (a) the amount in question is significant because of its size or nature;
- (b) it is important for understanding the results of the Consolidated Entity;
- (c) it helps to explain the impact of significant changes in the Consolidated Entity's business; or
- (d) it relates to an aspect of the Consolidated Entity's operations that is important to its future performance.

The notes are organised into the following sections:

- (a) **Key Performance:** Provides a breakdown of the key individual line items in the profit or loss that the Directors consider most relevant to understanding performance and shareholder returns for the year:

#### Notes

2	Revenue
3	Expenses
4	Segment information
5	Tax
6	Loss per share

- (b) **Financial Risk Management:** Provides information about the Consolidated Entity's exposure and management of various financial risks and explains how these affect the Consolidated Entity's financial position and performance:

#### Notes

7	Cash and cash equivalents
8	Financial assets at fair value through profit or loss
9	Financial risk management
10	Fair value measurement of financial instruments

- (c) **Other Assets and Liabilities:** Provides information on other balance sheet assets and liabilities that do not materially affect performance or give rise to material financial risk:

#### Notes

11	Receivables
12	Property held for resale
13	Payables
14	Provisions

- (d) **Capital Structure:** This section outlines how the Consolidated Entity manages its capital structure and related financing costs, as well as capital adequacy and reserves. It also provides details on the dividends paid by the Company:

#### Notes

15	Issued capital
16	Reserves
17	Non-controlling interest

- (e) **Consolidated Entity Structure:** Provides details and disclosures relating to the parent entity of the Consolidated Entity, controlled entities, investments in associates and any acquisitions and/or disposals of businesses in the year. Disclosure on related parties is also provided in the section:

#### Notes

18	Parent entity information
19	Investment in controlled entity
20	Investment in associate entity
21	Related party transactions

- (f) **Other:** Provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements however, are not considered significant in understanding the financial performance or position of the Consolidated Entity:

#### Notes

22	Auditor's remuneration
23	Contingencies
24	Events occurring after the reporting period

Significant and other accounting policies that summarise the measurement basis used and presentation policies and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

#### 1.2. Basis of preparation

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

#### Compliance with IFRS

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### Reporting Basis and Conventions

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

### 1.3. 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 2. REVENUE

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

	<b>2024</b>	<b>2023</b>
<b>Revenue</b>	<b>\$</b>	<b>\$</b>
Rental revenue	37,700	37,700
Interest revenue	23,810	1,104
	<u>61,510</u>	<u>38,804</u>
<b>Other</b>		
Iron ore royalty entitlement termination payment	5,000,000	-
Tenement royalties	(18,787)	206,661
Impairment reversal on revaluation of property held for development or resale	-	100,000
	<u><b>5,042,723</b></u>	<u><b>345,465</b></u>

### 3. EXPENSES

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

Share of Associate entity's net loss	-	560,643
Net loss on financial assets at fair value through profit or loss	200,000	499,998
Land operations	9,649	9,712
Personnel expenses		
Salaries, fees and employee benefits	368,292	4,702
Superannuation	71,775	29,049
Occupancy expenses	659	8,583
Finance expenses	178	317
Corporate expenses		
ASX and CHESS fees	34,568	36,689
ASIC fees	11,500	11,996
Share registry	6,501	6,051
Other corporate expenses	2,083	1,944
Administration expenses		
Audit fees	25,200	25,200
Legal fees	-	98
Depreciation	728	1,078
Reversal of provision of realisation costs	-	(4,039)
Other administration expenses	12,115	3,142
	<u><b>743,248</b></u>	<u><b>1,195,163</b></u>

### 4. SEGMENT INFORMATION

<b>2024</b>	<b>Investments</b>	<b>Corporate</b>	<b>Total</b>
<b>Segment revenues</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Revenue	37,700	23,810	61,510
Other	4,981,213	-	4,981,213
<b>Total segment revenues</b>	<u><b>5,018,913</b></u>	<u><b>23,810</b></u>	<u><b>5,042,723</b></u>
Personnel expenses	-	440,067	440,067
Finance expenses	-	178	178
Administration expenses	-	37,315	37,315
Depreciation expenses	-	728	728
Other expenses	209,649	55,311	264,960
<b>Total segment profit/(loss)</b>	<u><b>4,809,264</b></u>	<u><b>(509,789)</b></u>	<u><b>4,299,475</b></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

#### 4. SEGMENT INFORMATION (continued)

<b>Segment assets</b>	<b>Investments</b>	<b>Corporate</b>	<b>Total</b>
	\$	\$	\$
Cash and cash equivalents	-	1,462,979	1,462,979
Financial assets	400,002	-	400,002
Receivables	3,000,000	-	3,000,000
Property held for development or resale	1,850,000	-	1,850,000
Property, plant and equipment	-	2,016	2,016
<b>Total segment assets</b>	<b>5,250,002</b>	<b>1,464,995</b>	<b>6,714,997</b>

#### 2023

##### Segment revenues

Revenue	37,700	1,104	38,804
Other	306,661	-	306,661
<b>Total segment revenues</b>	<b>344,361</b>	<b>1,104</b>	<b>345,465</b>

Personnel expenses	-	33,751	33,751
Finance expenses	-	317	317
Administration expenses	-	28,441	28,441
Depreciation expenses	-	1,078	1,078
Other expenses	1,066,314	65,262	1,131,576
<b>Total segment loss</b>	<b>(721,953)</b>	<b>(127,745)</b>	<b>(849,698)</b>

##### 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
<b>Total segment assets</b>	<b>2,450,657</b>	<b>152,159</b>	<b>2,602,816</b>

##### Accounting policy

The operating segments are reported in a manner consistent with the internal reporting provided to the "Chief Operating Decision Maker" (**CODM**). The Consolidated Entity's CODM is the Board of Directors who are responsible for allocating resources and assessing performance of the operating segments.

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

##### Description of segments

- (a) Investments comprise equity investments in companies listed on the Australian Securities Exchange (**ASX**) and liquid financial assets; and
- (b) Corporate items comprise corporate assets and operations.

##### Liabilities

Liabilities are not reported to the Board of Directors by segment. All liabilities are assessed at a consolidated entity level.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 5. TAX

	2024	2023
	\$	\$
<b>The components of tax expense comprise:</b>		
Current tax	1,411,526	-
Deferred tax	-	-
	<b>1,411,526</b>	<b>-</b>
<b>(a) The prima facie tax on operating profit/(loss) before income tax is reconciled to the income tax as follows:</b>		
Prima facie tax payable on operating profit/(loss) before income tax at 30% (2023: 30%)	1,289,842	(254,910)
Adjust tax effect of:		
Non-deductible expenses	146,582	230,608
Non-assessable income	-	(30,000)
Share of Associate entity's loss	-	168,193
Tax losses utilised	(24,898)	(113,891)
<b>Income tax attributable to entity</b>	<b>1,411,526</b>	<b>-</b>
<b>Unrecognised deferred tax balances</b>		
Unrecognised deferred tax asset - revenue losses	4,723,149	4,529,145
Unrecognised deferred tax asset - capital losses	77,890	77,889
Unrecognised deferred tax asset - timing differences	1,449,575	1,352,528
	<b>6,250,614</b>	<b>5,959,562</b>

#### Critical accounting judgement and estimate

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

The income tax expense includes a provision for income tax expense of \$1.5 million in respect of the total gross consideration received (\$2 million) and receivable (\$3 million (refer Note 11)) by CXM Pty Ltd (a wholly-owned subsidiary of Orion Equities Limited) on the termination of a royalty in relation to the Paulsens East Iron Ore Project. Orion Equities Limited will review this income tax position vis a vis the utilisation of its available carried forward tax losses of \$12.6 million as part of the finalisation of its income tax return for the year ended 30 June 2024.

#### Accounting policy

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

### 6. EARNINGS/(LOSS) PER SHARE

	2024	2023
Basic and diluted earnings/(loss) per share (cents)	<b>6.21</b>	<b>(1.85)</b>
The following represents the loss and weighted average number of shares used in the loss per share calculations:		
Profit/(Loss) after income tax attributable to Owners of Queste (\$)	1,682,097	(502,187)
	<b>Number of shares</b>	
Weighted average number of ordinary shares	27,072,332	27,072,332

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

7. CASH AND CASH EQUIVALENTS	2024	2023
	\$	\$
Cash at bank	<u>1,462,979</u>	<u>148,180</u>
<b>(a) Reconciliation of operating profit/(loss) after income tax to net cash used in operating activities</b>		
<b>Profit/(Loss) after income tax</b>	2,887,949	(849,698)
<b>Add non-cash items:</b>		
Depreciation	728	1,078
Equipment written off	484	
Share of Associate entity's net (profit)/loss	-	560,643
Net loss on financial assets at fair value through profit or loss	200,000	499,998
Impairment reversal on revaluation of property held for development or resale	-	(100,000)
<b>Changes in assets and liabilities:</b>		
Receivables	(2,998,593)	(1,407)
Payables	(138,189)	10,249
Provisions	1,362,420	4,400
	<u>1,314,799</u>	<u>125,263</u>
<b>8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
	2024	2023
	\$	\$
Listed securities at fair value	<u>400,002</u>	<u>600,002</u>

### Accounting policy

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, financial assets at fair value through profit and loss acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 9: Financial Instruments will recognise its realised and unrealised gains and losses arising from changes in the fair value of these assets are included in profit or loss in the period in which they arise.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date which is the current bid price. The Consolidated Entity's investment portfolio is accounted for as "financial assets at fair value through profit and loss" and is carried at fair value.

### 9. FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments consist of deposits with banks, accounts receivable and payable, investments in listed securities, and other unlisted securities. The principal activity of the Consolidated Entity is the management of these investments - "financial assets at fair value" (refer to Note 8). The Consolidated Entity's investments are subject to market (which includes interest rate and price risk), credit and liquidity risks.

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



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 9. FINANCIAL RISK MANAGEMENT (continued)

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

The Consolidated Entity holds the following financial assets and liabilities:		2024	2023
	Notes	\$	\$
Cash and cash equivalents	7	1,462,979	148,180
Financial assets at fair value through profit or loss	8	400,002	600,002
Receivables	11	3,000,000	1,407
		<b>4,862,981</b>	<b>749,589</b>
Payables	13	(320,634)	(145,367)
<b>Net financial assets</b>		<b>4,542,347</b>	<b>604,222</b>

#### (a) Market risk

Market risk is the risk that the fair value and/or future cash flows from a financial instrument will fluctuate as a result of changes in market factors. Market risk comprises of price risk from fluctuations in the fair value of equities and interest rate risk from fluctuations in market interest rates.

##### (i) Price risk

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

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

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

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

ASX All Ordinaries Accumulation Index	Impact on post-tax profit		Impact on other components of equity	
	2024	2023	2024	2023
	\$	\$	\$	\$
Increase 15%	23,436	(28,439)	23,436	(28,439)
Decrease 15%	(23,436)	28,439	(23,436)	28,439

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 9. FINANCIAL RISK MANAGEMENT (continued)

#### (ii) *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest bearing instruments. The average interest rate for the year for the table below is 4.19% (2023: 4.01%). The revenue exposure is immaterial in terms of the possible impact on profit or loss or total equity.

#### (b) *Credit risk*

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

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

	2024	2023
<b>Cash and cash equivalents</b>	\$	\$
AA-	1,461,852	147,053
	<u>3,000,000</u>	<u>1,407</u>
<b>Receivables (due within 30 days)</b>		
No external credit rating available		

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

#### (c) *Liquidity risk*

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

### 10. 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 year ended 30 June 2024

### 10. 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				
<b>2024</b>	400,002	-	-	400,002
<b>2023</b>	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

	Notes	2024	2023
		\$	\$
Cash and cash equivalents	7	1,462,979	148,180
Receivables	11	3,000,000	1,407
		<b>4,462,979</b>	<b>149,587</b>
Payables	13	(320,634)	(145,367)
		<b>4,142,345</b>	<b>4,220</b>

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

#### Accounting policy

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

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

The Consolidated Entity's investment portfolio (comprising listed and unlisted securities) is accounted for as "financial assets at fair value through profit and loss" and is carried at fair value based on the quoted last bid prices at the Balance Date (refer Note 8).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 11. RECEIVABLES

	2024	2023
	\$	\$
<b>Current</b>		
Iron ore royalty entitlement termination payment	3,000,000	-
Other receivables	-	1,407
	<b>3,000,000</b>	<b>1,407</b>

The Consolidated Entity received the \$3 million iron ore royalty entitlement termination payment on 3 July 2024.

#### Risk exposure

The Consolidated Entity's exposure to credit and interest rate risks is discussed in Note 9.

#### Impaired trade receivables

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

### 12. PROPERTY HELD FOR RESALE

	2024	2023
	\$	\$
Property held for development or resale	3,797,339	3,797,339
Revaluation of property	(1,947,339)	(1,947,339)
	<b>1,850,000</b>	<b>1,850,000</b>

#### 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.

#### Accounting policy

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

### 13. PAYABLES

	2024	2023
	\$	\$
<b>Current</b>		
Trade payables	18,891	55,521
Dividend payable	6,592	6,592
GST payable	14,410	15,110
Other payables and accrued expenses	280,741	68,144
	<b>320,634</b>	<b>145,367</b>
<b>Non-current</b>		
Accrued Directors' fees and entitlements	<b>91,636</b>	<b>405,092</b>

#### Risk exposure

The Consolidated Entity's exposure to risks arising from current payables is set out in Note 9.

### 14. PROVISIONS

	2024	2023
	\$	\$
<b>Current</b>		
Employee benefits - annual leave	69,552	106,624
Employee benefits - long service leave	132,675	144,708
Provision for income tax	1,411,526	-
	<b>1,613,753</b>	<b>251,332</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 14. PROVISIONS (continued)

#### (a) Amounts not expected to be settled within 12 months

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

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

	2024	2023
	\$	\$
Leave obligations expected to be settled after 12 months	<u>132,675</u>	<u>144,708</u>

#### (b) Provision for income tax

The provision for income tax relates to the provision for income tax expense for the year ended 30 June 2024 - this includes a provision for income tax expense of \$1.5 million in respect of the total gross consideration received (\$2 million) and receivable (\$3 million (refer Note 11)) by CXM Pty Ltd (a wholly-owned subsidiary of Orion Equities Limited) on the termination of a royalty in relation to the Paulsens East Iron Ore Project (refer also Note 5).

### 15. ISSUED CAPITAL

	2024	2023	2024	2023
	Number	Number	\$	\$
Fully paid ordinary shares	27,072,332	27,072,332	<u>6,239,370</u>	<u>6,239,370</u>

There was no movement in the Company's issued capital during the financial year.

#### Capital risk management

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

The Board will consider capital management initiatives as is appropriate and in the best interests of the Company and shareholders from time to time, including undertaking capital raisings, share Buy-backs, capital reductions and the payment of dividends. The Consolidated Entity has no external borrowings. The Consolidated Entity's non-cash investments can be realised to meet accounts payable arising in the normal course of business.

### 16. RESERVES

	2024	2023
	\$	\$
<b>Profits reserve</b>	<b>13,011,391</b>	<b>9,414,438</b>
<b>Option premium reserve</b>	<b>2,138,012</b>	<b>2,138,012</b>
<b>Other reserve</b>		
Dilution movement	1,071,663	1,071,663
Non-controlling interest	(753,499)	(186,915)
	<u>318,164</u>	<u>884,748</u>
<b>Total reserves</b>	<u><b>15,467,567</b></u>	<u><b>12,437,198</b></u>
<b>Movements in Profits reserve</b>		
<b>Opening balance</b>	9,414,438	9,081,322
Profits reserve transfer	3,596,953	333,116
<b>Closing balance</b>	<u><b>13,011,391</b></u>	<u><b>9,414,438</b></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 16. RESERVES (continued)

Other Reserve relates to differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control (refer also Note 17).

An increase in the Profits Reserve will arise when the Company or its subsidiaries generates a net profit (after tax) for a relevant financial period (i.e. half year or full year) which the Board determines to credit to the company's Profits Reserve. Dividends may be paid out of (and debited from) a company's Profits Reserve, from time to time.

### 17. NON-CONTROLLING INTEREST

	2024	2023
	\$	\$
Issued capital	7,549,512	7,549,512
Other reserve	753,499	186,915
Accumulated losses	(5,626,939)	(6,832,791)
	<b>2,676,072</b>	<b>903,636</b>

The non-controlling interest is a 40.14% (2023: 40.14%) equity holding in Orion Equities Limited (not held by the Company).

#### Accounting policy

The Consolidated Entity treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Consolidated Entity. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve (refer to Note 16) within equity attributable to owners of Queste Communications Ltd.

### 18. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Queste Communications Ltd, as at 30 June 2024.

	2024	2023
	\$	\$
Profit/(Loss) for the year	408,411	(1,538,978)
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>408,411</b>	<b>(1,538,978)</b>

#### Statement of financial position

Current assets	4,636	12,527
Non-current assets	1,218,955	695,281
<b>Total assets</b>	<b>1,223,591</b>	<b>707,808</b>
Current liabilities	164,319	72,447
Loan from controlled entity	236,583	165,403
Non-current liabilities	171,267	226,948
<b>Total liabilities</b>	<b>572,169</b>	<b>464,798</b>
<b>Net assets</b>	<b>651,422</b>	<b>243,010</b>
Issued capital	6,239,370	6,239,370
Reserves - Profits reserves	2,342,545	2,342,545
- Option premium reserve	2,138,012	2,138,012
Accumulated losses	(10,068,505)	(10,476,917)
<b>Equity</b>	<b>651,422</b>	<b>243,010</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 19. INVESTMENT IN CONTROLLED ENTITY

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interest:

Ownership Interest	Incorporated	Parent		Non-Controlling Interest	
		2024	2023	2024	2023
Orion Equities Limited	Australia	59.86%	59.86%	40.14%	40.14%

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

Summarised statement of profit or loss and other comprehensive income	2024	2023
	\$	\$
Revenue	5,062,445	358,196
Expenses	(646,794)	(1,223,946)
<b>Profit/(Loss) from operations</b>	<b>4,415,651</b>	<b>(865,750)</b>
Income tax expense	(1,411,526)	-
<b>Profit/(Loss) after income tax expense</b>	<b>3,004,125</b>	<b>(865,750)</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>3,004,125</b>	<b>(865,750)</b>

#### Summarised Statement of Financial Position

Current assets	5,094,926	902,464
Non-current assets	1,850,858	1,851,155
<b>Total Assets</b>	<b>6,945,784</b>	<b>2,753,619</b>
Current liabilities	1,493,187	228,941
Non-current Liabilities	197,250	273,456
<b>Net Assets</b>	<b>5,255,347</b>	<b>2,251,222</b>

#### Statement of cash flows

Net cash used in operating activities	1,373,001	178,381
Net cash used in financing activities	(51,064)	(55,615)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,321,937</b>	<b>122,766</b>

#### Other financial information

Profit/(Loss) attributable to non-controlling interest	1,205,852	(347,511)
Accumulated non-controlling interest at the end of the year	2,676,072	903,636

#### Accounting policy

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

#### Changes in Ownership Interests

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 20. INVESTMENT IN ASSOCIATE ENTITY

	Ownership Interest		Carrying Amount	
	2024	2023	2024	2023
			\$	\$
Bentley Capital Limited (ASX:BEL)	28.56%	28.56%	-	-
<b>Movements in carrying amounts</b>				
Opening balance			-	560,643
Share of net profit/(loss) after tax			-	(560,643)
Closing balance			-	-
<b>Fair value (at market price on ASX) of investment in Associate entity</b>			<b>434,791</b>	<b>1,021,758</b>
<b>Net asset backing value of investment in Associate entity</b>			<b>391,470</b>	<b>975,065</b>
<b>Summarised statement of profit or loss and other comprehensive income</b>				
Revenue			4,898	2,469
Expenses			(2,043,468)	(3,583,981)
<b>Loss before income tax</b>			<b>(2,038,570)</b>	<b>(3,581,512)</b>
Income tax expense			-	-
<b>Loss after income tax</b>			<b>(2,038,570)</b>	<b>(3,581,512)</b>
Other comprehensive income			-	-
<b>Total comprehensive income</b>			<b>(2,038,570)</b>	<b>(3,581,512)</b>
<b>Summarised statement of financial position</b>				
Current assets			2,542,887	4,508,246
Non-current assets			745	268,929
<b>Total assets</b>			<b>2,543,632</b>	<b>4,777,175</b>
Current liabilities			1,172,775	1,362,676
<b>Total liabilities</b>			<b>1,172,775</b>	<b>1,362,676</b>
<b>Net assets</b>			<b>1,370,857</b>	<b>3,414,499</b>

### 21. 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 (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 \$400,000 from OEQ (**Loan**). The Loan is unsecured and currently matures on 31 December 2025 (unless extended by agreement of the parties) and accrues interest at 10% pa. During the financial year, the OEQ advanced \$60,200 to the Company and the Company repaid \$9,136 to OEQ and incurred interest expenses of \$20,117 under the Loan. The balance of the Loan is \$236,583 as at balance date.

#### (b) Transactions with key management personnel

Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid or payable to each member of the Consolidated Entity's KMP for the year ended 30 June 2024. The total remuneration paid to KMP of the Consolidated Entity during the year is as follows:

	2024	2023
	\$	\$
<b>Directors</b>		
Short-term employment benefits	425,000	-
Post-employment benefits	41,250	-
	<b>466,250</b>	<b>-</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## for the year ended 30 June 2024

### 21. RELATED PARTY TRANSACTIONS (continued)

#### (b) Transactions with key management personnel (continued)

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

Short-term employment benefits include OEQ payments of Directors' salaries/fees attributable to previous years (which payments were previously suspended with the agreement of the Directors): \$150,000 attributable to the year ended 30 June 2023 and \$125,000 attributable to the year ended 30 June 2022. Further details are in the Remuneration Report.

During the year, the Consolidated Entity generated \$37,700 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) (2023: \$37,700).

#### (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.

### 22. AUDITOR'S REMUNERATION

During the year the following fees were paid for services provided by the auditor of the parent entity:

	2024	2023
	\$	\$
<b>In.Corp Audit &amp; Assurance Pty Ltd</b>		
Audit and review of financial statements	25,200	25,200
	<b>25,200</b>	<b>25,200</b>

### 23. 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.

### 24. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(a) The Consolidated Entity received the \$3 million iron ore royalty entitlement termination payment on 3 July 2024 (which was recognised as a Receivable at Balance Date).

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

# CONSOLIDATED ENTITY DISCLOSURE STATEMENT

## as at 30 June 2024

Entity name	Entity type	% of Share Capital	Place of Incorporation	Tax Residency	
				Australian or Foreign	Foreign Jurisdiction
Queste Communications Ltd ( <b>QUE</b> or <b>Company</b> )	Body corporate	N/A	Australia	Australian	N/A
Orion Equities Limited ( <b>OEQ</b> )	Body corporate	59.86%	Australia	Australian	N/A
Silver Sands Developments Pty Ltd ( <b>SSD</b> )	Body corporate	59.86%	Australia	Australian	N/A
CXM Pty Ltd ( <b>CXM</b> )	Body corporate	59.86%	Australia	Australian	N/A

### Notes:

- (1) The Consolidated Entity Disclosure Statement (**CEDS**) has been prepared in accordance with subsection 295(3A)(a) of the *Corporations Act 2001* (Cth) and includes information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.
- (2) The percentage of share capital disclosed for bodies corporate included in the CEDS represents the economic interest consolidated in the consolidated financial statements. SSD and CXM are wholly-owned subsidiaries of OEQ.
- (3) The Company has not formed a tax-consolidated group under Australian taxation law. OEQ has formed a tax-consolidated group under Australian taxation law (with effect on 29 June 2004), with OEQ as the head entity and SSD and CXM as members.
- (4) Section 295 (3A)(vi) of the *Corporation Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**). Foreign incorporated companies can still be considered a tax resident of Australia if their central management and control is in Australia. An entity can be both, an Australian tax resident under the ITAA 1997, and a tax resident in another foreign jurisdiction under the tax law applicable in that jurisdiction.
- (5) The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the Consolidated Entity has applied the following interpretations:
  - (a) The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 and the advice of independent Australian tax advisers; and
  - (b) Where necessary, the Consolidated Entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.
- (6) Where the entity is not an Australian tax resident but is a foreign tax resident based on the Australian domestic law definition, then each foreign country in which the entity is a tax resident (as determined under the law of foreign jurisdictions) must be disclosed in the CEDS. However, if the entity is an Australian tax resident, this requirement does not apply and no further information needs to be provided about other tax residencies of the entity.

# DIRECTORS' DECLARATION

The Directors of the Company declare that:

- (1) The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, and accompanying notes as set out on pages 22 to 40 are in accordance with the *Corporations Act 2001 (Cth)* and:
  - (a) comply with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting; and
  - (b) give a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of their performance for the year ended on that date;
- (2) The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards;
- (3) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (4) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001 (Cth)* by the Executive Chairman (the person who, in the opinion of the Directors, performs the Chief Executive Officer function) and Company Secretary (the person who, in the opinion of the Directors, performs the Chief Financial Officer function); and
- (5) In the Directors' opinion, the Consolidated Entity Disclosure Statement on page 41 is true and correct.

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



Farooq Khan  
Executive Chairman and  
Managing Director



Victor Ho  
Executive Director and  
Company Secretary

29 August 2024

**QUESTE COMMUNICATIONS LIMITED  
INDEPENDENT AUDITOR'S REPORT**

To the members of Queste Communications Limited

**Opinion**

We have audited the financial report of Queste Communications Limited (“the Company”) and its controlled entities (“the Group”), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors’ declaration.

In our opinion, the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group’s financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit 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 & 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 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 report.

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

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

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**QUESTE COMMUNICATIONS LIMITED**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following key audit matters to communicate in our report:

Key Audit Matter - Royalty Termination Payment	How our Audit Addressed the Key Audit Matter
<p>CXM Pty Ltd (CXM), a 100% owned subsidiary of the Orion Equities Limited (of which the Group has a 59.86% interest), had a royalty agreement with Strike Resources Limited (SRK) for iron ore produced from its Paulsens East project. During the year, SRK sold the project and at the Buyer's request, CXM agreed to terminate the royalty agreement for the total consideration of \$5,000,000.</p> <p>\$2,000,000 of the consideration was received during the year, and \$3,000,000 received on 4 July 2024 subsequently.</p> <p>We consider the royalty termination payment a key audit matter based on its materiality and effect on the financial position of the Group.</p>	<p>In assessing the transaction, our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Review of the terms and conditions of the agreement between the parties to the transaction;</li> <li>• Review of the balances recorded at year end;</li> <li>• Review of the balances received by the Group; and</li> <li>• Review of the tax implications related to the consideration received or receivable.</li> </ul> <p>We also reviewed the disclosures included in the financial report and assessed whether it meets the requirements of the Australian Accounting Standards and the <i>Corporations Act 2001</i>.</p>

**Other Information**

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**QUESTE COMMUNICATIONS LIMITED**

**INDEPENDENT AUDITOR'S REPORT (continued)**

**Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- ii) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- iii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.

**QUESTE COMMUNICATIONS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT (continued)**  
**REPORT ON THE REMUNERATION REPORT**

**Opinion on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of Queste Communications Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

**Responsibilities for the Remuneration Report**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**In.Corp Audit & Assurance Pty Ltd**



**Volha Romanchik**  
Director

29 August 2024

# SECURITIES INFORMATION

## as at 30 June 2024

### DISTRIBUTION OF LISTED ORDINARY FULLY PAID SHARES

Spread	of	Holdings	Number of Holders	Number of Units	% of Total Issue Capital
1	-	1,000	20	8,823	0.03%
1,001	-	5,000	43	115,596	0.43%
5,001	-	10,000	54	488,067	1.80%
10,001	-	100,000	81	2,296,441	8.48%
100,001	-	and over	22	24,163,405	89.26%
<b>Total</b>			<b>220</b>	<b>27,072,332</b>	<b>100%</b>

### UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	10,000	83	272,486	1.01%
10,001	-	over	137	26,799,846	98.99%
<b>Total</b>			<b>220</b>	<b>27,072,332</b>	<b>100%</b>

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 10,000 shares or less, being a value of \$500 or less in total, based upon the Company's last sale price on ASX as at 30 June 2024 of \$0.05 per share.

### SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Shareholding	Total Shares	% Voting Power
Geoff Wilson and Associates <sup>1</sup>	Dynasty Peak Pty Ltd	5,391,975		19.92%
Yaqoob Khan and Associate <sup>2</sup>	Mr Yaqoob Khan	5,334,069	5,387,394	19.90%
	KYA Pty Ltd	53,325		
Farooq Khan and Associate <sup>3</sup>	Mr Farooq Khan & Ms Rosanna De Campo	4,922,295	5,613,972	20.74%
	Island Australia Pty Ltd	423,577		
Renmuir Holdings Limited <sup>4</sup>	Renmuir Holdings Ltd	3,003,668		11.10%



# SECURITIES INFORMATION

## as at 30 June 2024

### 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	5,189,395 <u>423,577</u>		
		Sub-total	5,612,972	20.73
2	DYNASTY PEAK PTY LTD		5,391,975	19.92
3	YAQOOB KHAN KYA CORPORATION PTY LTD	5,334,069 <u>53,325</u>		
		Sub-total	5,387,394	19.90
4	RENMUIR HOLDINGS LTD		3,003,668	11.10
5	MR BOBBY VINCENT LI		1,324,919	
6	GA & AM LEAVER INVESTMENTS PTY LTD		1,039,029	3.84
7	GIBSON KILLER PTY LTD		420,000	1.55
8	GLENVIEW SERVICES PTY LTD		380,000	1.40
9	NELLE RETT 1D PTY LTD		231,348	0.85
10	MR SANTOSA GUZZETTA		221,300	0.82
11	THE ESTATE OF MR AYUB KHAN		215,000	0.79
12	MRS AFIA KHAN		215,000	0.79
13	MR PAUL GERARD GRAFEN		200,000	0.74
14	MR SIMON KENNETH CATO + MRS KAYE LOUISE HOPKINS ROSEMONT ASSET PTY LTD	118,000 <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 EUGENE RODRIGUEZ		110,000	0.41
18	MRS LINDA ANN OATES		100,000	0.37
19	MRS MARY THERESE CAMILLERI		100,000	0.37
20	MR ALAN DAVID CLAYTON		97,000	0.36
<b>Total</b>			<b>24,588,730</b>	<b>90.83%</b>