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Appendix 4D

Half yearly report

Name of Entity	ORH Limited
ACN	077 398 826
Half Year Ended	31 December 2009
Previous Corresponding Reporting Period	31 December 2008

Results for Announcement to the Market

	31 Dec 09	**31 Dec 08**	**Percentage increase /(decrease) over previous corresponding period**
Revenue from ordinary activities	8,893,351	4,849,763	85.4%
Profit / (loss) from ordinary activities after tax attributable to members	35,356	(361,385)	N/A
Net profit / (loss) for the period attributable to members	0	0	N/A

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	Nil	N/A
Interim Dividend	Nil	N/A
Previous corresponding period	Nil	N/A
Record date for determining entitlements to the dividends (if any)		N/A
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		

The half-yearly report is to be read in conjunction with 2009 Annual Report and the December 2009 half-year Financial Report including the Directors' Report.

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NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.021¢	0.016¢

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control gained	N/A
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control lost	N/A
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	N/A

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
N/A				
Aggregate Share of Net Profits				

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Audit/Review Status

This report is based on accounts \to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	X
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:
Not Applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:
Not Applicable

Attachments Forming Part of Appendix 4D

Attachment #	**Details**
1	Financial Report for the half-year ended 31 December 2009

Signed By :	
Name	Geoffrey Hann
Position	Director
Date	26 February 2010

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ORH Limited

ACN 077 398 826

Half-Year Financial Report 31 December 2009

Contents

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Company Particulars

This half-year report covers the consolidated entity comprising ORH Limited and its subsidiaries ('the consolidated entity'). The consolidated entity's functional and presentation currency is Australian dollars.

A description of the consolidated entity's operations and of its principal activities is included in the review of operations and activities in the directors' report on page 4.

DIRECTORS
Domenic Martino (Non-Executive Chairman)
Geoffrey Hann (Managing Director)
Joshua Ridley (Non-Executive Director)

COMPANY SECRETARY
Michael Waterson

REGISTERED AND HEAD OFFICE
225 Great Eastern Highway
BELMONT WA 6104

SHARE REGISTRY
Computershare Investor Services Pty Ltd
Level 2, 45 St Georges Terrace
PERTH WA 6000

AUDITORS
PKF
Level 10, 1 Margaret Street
SYDNEY NSW 2000

SOLICITORS
Middletons
Level 2
6 Kings Park Road
WEST PERTH WA 6005

BANKERS
Westpac Banking Corporation
341 George Street
SYDNEY NSW 2000

AUSTRALIAN COMPANY NUMBER:
077 398 826

AUSTRALIAN BUSINESS NUMBER:
51 077 398 826

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Directors' Report

Your Directors submit their report for the half-year ended 31 December 2009.

DIRECTORS

The names of the company's Directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Domenic Martino (Non-Executive Chairman)
Geoffrey Hann (Managing Director)
Joshua Ridley (Non-Executive Director)

REVIEW AND RESULTS OF OPERATIONS

Financial Results
The consolidated results for the half-year ending 31 December 2009 and the previous corresponding period are detailed in the Consolidated Income Statement and summarised as follows:

	2009 $	2008 $
Revenue	8,893,351	4,849,763
Profit/(Loss) before income tax	(829,042)	(131,945)
Profit/(Loss) after income tax	35,356	(361,385)

ORH Limited (ASX trading code: **ORH**) is pleased to announce that it has recorded a net profit after tax of $35,356 for the half year ended 31 December 2009.

The NPAT result for the 6 month period was achieved against a background of challenging business conditions caused by the global financial crisis which saw ORH notice significant changes in its customer's plant hire requirements and equipment expenditure plans.

Since the acquisition of the Ridwest businesses and the sale and closure of its corrosion engineering assets in China and the UK, ORH has embarked on a series of income producing and cost cutting measures which have seen significant savings achieved by no longer using costly trade financing facilities, rationalisation of the number of rental premises the businesses are being run out of, reviewing and refinancing insurance on ORH's hire fleet, achieving better purchasing of parts, rationalising the company's work force and administrative costs, reviewing and rationalising both the company's customer and supplier base as well as reviewing and servicing the company's hire fleet to ensure that product is fully functional for long term hire contracts.

Management and operational teams in ORH's plant hire and engineering businesses are now achieving higher operating margins through the use of technology and improved production and purchasing techniques.

Based on current trading conditions and the outlook for the mining services sector in Western Australia in particular, the Board of ORH expects to achieve a significant improvement in the second half of the financial year in both its plant hire and engineering subsidiaries.

During the half year ORH successfully completed equity fundraisings of totalling $4.556m (pre costs) through the issue of 134m new ordinary shares.

ORH ended the half year with net assets of $15.0m, up from $10.4m at June 2009 whilst operational cash balances were $1.9m compared to $0.1m at June 2009. Gross debt totalled $17.8m, down by $2.2m from the June figure of $20.0m. This debt is predominantly made up of Hire Purchase debt on ORH's hire fleet and will continue to reduce by approximately $0.45m per month until the facilities are paid out. The Board has determined however that no dividend will be payable for the half year.

ORH has also announced that subject to the completion of satisfactory due diligence it intends to acquire the Enmac Group of Companies. As previously advised to the market, this acquisition should save ORH approximately $0.4m per annum in repairs and maintenance costs. The due diligence process continues.

ORH also announced in February 2010 that again subject to satisfactory due diligence it intended to acquire the eastern states based mining and engineering Resco Group of Companies, a group whose complementary businesses predominately in the Hunter Valley will also assist in the increased utilisation of ORH's hire fleet and lead to more sales in its engineering subsidiary.

Auditor's Independence Declaration

The Auditor's Independence Declaration is set out on page 6 and forms part of the Directors Report.

Signed in accordance with a resolution of the Directors.

Geoffrey Hann
Managing Director
26 February 2009

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Chartered Accountants
& Business Advisers

Auditor's Independence Declaration

As lead auditor for the review of ORH Limited for the half year ended 31 December 2009, I declare that to the best of my knowledge and belief there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of ORH Limited and the entities it controlled during the half year.

PKF

Grant Saxon
Partner

26 February 2010
Sydney

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STATEMENT OF COMPREHENSIVE INCOME

For The Half-Year Ended 31 December 2009

	Note	Consolidated December 2009 $	Consolidated December 2008 $
Revenue		8,893,351	4,849,763
Cost of Sales		(3,136,946)	3,104,580
Gross Profit		5,756,405	1,745,183
Other income		33,908	3,586
		5,790,313	1,748,769
Depreciation expense		(1,164,443)	51,103
Rent and Outgoings		(743,533)	83,021
Travel		(162,258)	125,379
Finance Costs		(668,147)	(52,349)
Consulting Fees		(202,464)	192,590
Loss on disposal of subsidiary		(159,500)	-
Other administrative expenses		(1,488,248)	697,382
Employee benefits expense		(2,030,762)	731,239
Total Expenses		(6,619,355)	1,880,714
(Loss)/profit from continuing operations before tax	3	(892,042)	(131,945)
Income tax		(864,398)	229,440
Profit/(Loss) after tax		35,356	(361,385)
Other comprehensive			
Other comprehensive income for the half-year net of tax		-	-
Total comprehensive income for the period		35,356	(361,385)
Profit/(Loss) per share attributable to the ordinary equity holds of the company			
Basic and diluted Profit/(Loss) per share (cents per share)		0.001	(0.2)

The accompanying notes form part of these Financial Statements.

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STATEMENT OF FINANCIAL POSITION

For The Half-Year Ended 31 December 2009

	Note	Consolidated December 2009 $	June 2009 $
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,894,438	13,805
Trade and other receivables	5	4,408,184	2,783,713
Inventories		1,509,018	1,816,667
Total Current Assets		7,811,640	4,614,185
Non-current Assets			
Financial assets		1,456,972	1,410,000
Property, plant and equipment		25,729,393	27,102,436
Deferred tax assets		1,475,730	940,968
Goodwill	6	5,606,512	5,421,513
Total Non-current Assets		34,268,607	34,874,917
TOTAL ASSETS		42,080,247	39,489,102
LIABILITIES			
Current Liabilities			
Trade payables		4,882,446	3,140,679
Other payables		4,261,735	5,373,856
Financial Liabilities		7,099,542	6,585,461
Current tax liabilities		201,270	217,090
Total Current Liabilities		16,444,993	15,317,086
Non-current Liabilities			
Financial liabilities		10,645,113	13,379,267
Deferred Tax Liability		14,355	343,991
Total Non-current Liabilities		10,659,468	13,723,258
TOTAL LIABILITIES		27,104,461	29,040,344
NET ASSETS		14,975,786	10,448,758
EQUITY			
Contributed equity	7	34,648,960	30,348,874
Accumulated losses		(20,397,532)	(20,489,738)
Reserves		724,358	589,622
TOTAL EQUITY		14,975,786	10,448,758

The accompanying notes form part of these Financial Statements.

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STATEMENT OF CASHFLOWS

For The Half-Year Ended 31 December 2009

	Note	Consolidated December 2009 $	Consolidated December 2008 $
Cash flows from operating activities			
Receipts from customers		7,268,548	1,497,247
Payments to suppliers and employees		(7,629,533)	(1,459,472)
Income taxes		(15,820)	(109,754)
Interest received		332	3,586
Net cash flows used in operating activities		(376,473)	(68,393)
Cash flows from investing activities			
Purchase of property, plant and equipment		208,600	(56,120)
Other financial assets		(84,810)	(2,909,752)
Net flows used in investing activities		123,790	(2,965,872)
Cash flows from financing activities			
Proceeds share issue		4,556,000	1,150,000
Share issue costs		(255,914)	-
Proceeds from borrowings		-	2,000,000
Payments for finance leases		(2,166,770)	(13,339)
Net cash generated from financing activities		2,133,316	3,136,661
Net increase in cash and cash equivalents		1,880,633	102,396
Cash and cash equivalents at beginning of period		13,805	583,569
Cash and cash equivalents at end of period	4	1,894,438	685,965

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY

For The Half-Year Ended 31 December 2009

	Issued Capital	Accumulated Losses	Options Reserve	Foreign Currency Translation Reserve	Total
	$	$	$	$	$
At 1 July 2008	21,383,222	(18,412,568)	590,443	(85,724)	3,475,373
Net loss for the period	-	(361,385)	-	-	(361,385)
Shares issued during the period	1,150,000	-	-	-	1,150,000
Transfer of expired options	-	149,000	(149,000)	-	-
Movement in foreign exchange reserve	-	-	-	596,672	-
At 31 December 2008	22,533,222	(18,624,953)	441,443	510,948	4,349,712
At 1 July 2009	30,348,874	(20,489,738)	781,208	(191,586)	10,448,758
Net loss for the period	-	35,356	-	-	35,356
Shares issued during the period	4,556,000	-	-	-	4,556,000
Share Issue Costs	(255,914)	-	-	-	(255,914)
Transfer of expired options	-	56,850	(56,850)	-	-
Transferred to Profit and Loss on disposal of subsidiary	-	-	-	191,586	191,586
At 31 December 2009	34,648,960	(20,397,532)	724,358	-	14,975,786

The accompanying notes form part of these Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of ORH Limited as at 30 June 2009.

It is also recommended that the half-year financial report be considered together with any public announcements made by ORH Limited and its subsidiaries during the half-year ended 31 December 2009 in accordance with the continuous disclosure obligations arising under the ASX listing rules.

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

(a) Changes in accounting policies

The accounting policies and methods of computation applied by the consolidated entity in this consolidated financial report are the same as those applied by the consolidated entity in its consolidated financial report as at and for the year ended 30 June 2009, with the exception of those noted below.

- AASB 8: Operating segments is applicable to annual reporting periods commencing on or after 1 January 2009. The change from the previous standard (AASB 14: Segment Reporting) to this standard has resulted in the changes as outlined in Note 2 to the Financial Statements.

- Revised AASB 101: Presentation of Financial Statements is applicable to annual reporting periods commencing on or after 1 January 2009. This standard results in changes to the financial statements including the addition of a statement of comprehensive income. This standard does not result in any changes to the financial results but affects how these results are presented.

2 OPERATING SEGMENTS

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the manner in which the product is sold, the nature of the services and the service line manager. Discrete financial information about each of these operating businesses is reported to the executive management team on at least a monthly basis.

The reportable segments are based on aggregated operating segments determined by the similarity of the products produced and sold and/or the services provided, as the sources of the Group's major risks and have the most effect on the rates of return.

Types of products and services

Engineering

Engineering design, implementation and supply of service trucks and water carts for the mining and construction industries;

NOTES TO THE FINANCIAL STATEMENTS

Transport

Carriers of general freight and hire equipment both interstate and intrastate;

Contracting

Supply of heavy earth moving equipment for hire on major infrastructure projects in the mining, civil, and marine industries.

Accounting policies and inter-segment transactions

The accounting policies used by the group in reporting segments internally are the same as those contained in Note 1 to the accounts and in the prior period except as detailed below:

Inter entity sales

Inter-entity sales are recognised based on an internally set transfer price. The price is set bi-annually and aims to reflect what the business operation could achieve if they sold their output and services to external parties at arms length. There were no inter-entity sales for the 6 months ended 31 December 2009.

	Engineering	Transport	Contracting	Total
	$	$	$	$
6 months 31 December 2009				
Revenue				
Sales to external customers	4,298,842	353,445	4,239,211	8,891,498
Other revenues from external customers	-	-	1,853	1,853
Total Segment Revenue	4,298,842	353,445	4,241,064	8,893,351
Result				
Segment result	(182,643)	(171,891)	631,457	276,923
Unallocated expenses	-	-	-	(1,105,965)
Net loss before tax per the statement of comprehensive income	-	-	-	(829,042)

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NOTES TO THE FINANCIAL STATEMENTS

	Australia	China	UK	Total
	$	$	$	$
6 months ended 31 December 2008				
Revenue				
Sales to external customers	-	4,053,876	795,887	4,849,763
Other revenues from external customers	3,865	-	-	3,865
Total Segment Revenue	3,865	4,053,876	795,887	4,853,628
Result				
Segment result	(818,828)	844,473	(157,590)	(131,945)
Unallocated expenses	-	-	-	-
Net loss before tax per the statement of comprehensive	(818,828)	844,473	(157,590)	(131,945)

The businesses operated by the company during the period ended 31 December 2008 were sold prior to 30 June 2009.

The segment results for the 6 months ended 31 December 2008 are unrelated to the segment results for the 6 months ended 31 December 2009.

3 LOSS BEFORE INCOME TAX

	31 December 2009 $	*31 December 2008 $*
(a) Specific Items		
Loss from ordinary activities before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the consolidated entity:		
(i) Revenue		
Sales of goods	8,893,351	4,849,763
Interest received	-	3,586
	8,893,351	4,853,349
(ii) Other Expenses		
Depreciation	1,164,443	51,103
Directors' fees	199,998	247,434

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NOTES TO THE FINANCIAL STATEMENTS

4 CASH AND CASH EQUIVALENTS

Reconciliation of Cash

For the purposes of the Condensed Cash Flow Statement, cash and cash equivalents comprise the following at 31 December:

	31 December 2009 $	*30 June 2009 $*
Cash at bank and in hand	1,894,438	13,805

5 TRADE AND OTHER RECEIVABLES

	31 December 2009 $	*30 June 2009 $*
Trade receivables	3,833,025	2,192,833
Retentions and deposits	34,400	109,055
Cash Advances	44,000	369,010
Other receivables	496,759	112,815
	4,408,184	2,783,713

Past due but not impaired

As of 31 December 2009, trade receivables of $151,131 were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis is detailed below.

Fair value and credit risk

Due to the short-tem nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

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NOTES TO THE FINANCIAL STATEMENTS

As at 31 December 2009, the ageing analysis of trade receivables is as follows:

	31 December 2009 $	30 June 2009 $
Current	3,001,630	910,462
31-60 days	680,264	625,363
61-90 days	94,691	418,793
91 days and over	56,440	238,215
Closing balance	3,833,025	2,192,833

Trade receivables are non-interest bearing and are generally on 30-60 day terms. A provision for impairment loss is recognised when there is objective evidence that an individual trade receivable is impaired. No impairment loss has been brought to account for the year ended 31 December 2009.

6 INTANGIBLE ASSETS

	31 December 2009 $	30 June 2009 $
Goodwill		
Opening Net Book amount	5,421,513	-
Acquired through business combinations	-	5,421,513
Prior period adjustment	184,999	-
Closing Net Book Amount	5,606,512	5,421,513
Cost	5,606,512	5,421,513
Accumulated impairment	-	-
Net Book Amount	5,606,512	5,421,513

Impairment

Goodwill is allocated to the cash-generating units (CGUs) on the same basis as the allocation of identifiable assets and liabilities acquired.

In accordance with AASB 136 the Group has calculated the recoverable amount of each cash- generating unit, and where the recoverable amount of the cash generating unit is lower than its carrying value the cash generating unit has been written down to its recoverable amount.

The recoverable amount of the cash generating unit has been based on the higher of its fair value less costs to sell and value in use. Fair value less costs to sell has been based on similar market transactions. Value in use has been calculated using a discounted cash flow forecast, for five years and with a pre tax discount rate of 15% being used to determine the net present value of the future cash flows. Revenue is forecast by using existing customer contracts and estimates of future sales of equipment.

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NOTES TO THE FINANCIAL STATEMENTS

The adjustment to the fair value of the subsidiary acquired was made up of additional expenses relating to the purchase of the Ridwest Group of Companies which occurred prior to the acquisition date. The additional expenses were not apparent until after 30 June 2009.

7 CONTRIBUTED EQUITY

During the six months ended 31 December 2009, 134,000,000 shares were issued at an average price of 3.4cents each, raising a total of $4,300,086 after capital raising costs.

	31 December 2009	
	Number of shares	$
Issued capital at 1 July 2009	231,074,677	30,348,874
Shares issued during the period	134,000,000	4,556,000
Share issue costs	-	(255,914)
Issued capital at 31 December 2009	365,074,677	34,648,960
	30 June 2009	
Issued capital at 1 July 2008	109,422,508	21,383,222
Shares issued during the period	121,652,169	8,965,652
Issued capital at 30 June 2009	231,074,677	30,348,874

Ordinary Shares entitle the holder to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

8 RELATED PARTY TRANSACTCIONS

Included in reserve for the period is an amount of $2,120,000 resulting from the sale and leaseback of plant and equipment to Orient Finance Australasia Pty Limited.

9 SUBSEQUENT EVENTS

The Board of ORH Limited has announced the signing of a conditional binding term sheet to acquire mining services company, ResCo Services Pty Ltd and its related company Springsure Mining Pty Ltd together.

Term Sheet Highlights

- Subject to the signing of a formal share sale agreement and satisfaction of all conditions precedent, ORH will issue 369 million shares to the shareholders of ResCo Group.
- Both parties have 30 days from 9th February 2010 to complete due diligence.

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NOTES TO THE FINANCIAL STATEMENTS

- Completion is conditional upon (among other things) regulatory and shareholder approvals and ORH raising a minimum of $22 million which will be applied primarily for debt reduction across the Resco Group.
- General meeting of ORH planned for May 2010.
- Head office to be relocated to Newcastle.

ResCo Group and Acquisition Synergies

The ResCo Group has established operations across 11 locations in New South Wales and Queensland and provides a comprehensive range of mining services including skilled labour, specialised operations on mining sites, maintenance of plant and equipment, engineering services and the provision of critical spares and consumables.

The ResCo Group comprises six major businesses/assets:

- **ResCo Engineering** - Provides managed project installation, shutdown maintenance, contract maintenance, mining equipment refurbishment and both small and large scale fabrication works. (Employs around 240 personnel.)
- **ResCo Underground** - Provides secondary support services to underground coal mines – surface and in-seam drift development, roadway development, ventilation, roof-bolting, silica resin injection for cavity filling and ground stabilization. (Employs around 250 personnel.)
- **ResCo Open Cut** - Provides excavation, earthworks, mine-site rehabilitation, coal handling and stockpile enhancement services in open cut mines in the Hunter Valley of NSW. (Employs around 50 personnel.)
- **ResCo Vehicle and Plant Services** - Provides mechanical and electrical maintenance of mining vehicles including trucks, forklifts, water pumps and 4WD vehicles. (Employs around 85 personnel.)
- **ResCo Labour and Training** - Provides mining and industrial labour and training services to coal mines in the Hunter Valley. (Employs around 400 personnel).
- **Springsure** - Has applied for an Exploration License (EPC 1674) from the Queensland Government for an export thermal coal resource located in the Bowen Basin, one of the largest coal producing regions in the world. The Springsure strategy involves the development (in conjunction with other parties) of EPC 1674 with a key focus being on the establishment of an on-site Coal Mining Centre of Excellence to facilitate the training and development of qualified mine workers for the Resco Group to ensure continuity of workforce into the future for Resco and its expanding client base. This business, subject to all necessary approvals and funding, is expected to take around 3 years to be developed.

  The ResCo Group's clients include Rio Tinto, Anglo Group, Xstrata Coal and other major coal industry participants.

  The ResCo Group was established in 2007 and has grown through a series of acquisitions over the last two years. Its revenues for the year ended 30 June 2009 totalled $122 million and since that time the ResCo Group has been awarded a number of new contracts.

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NOTES TO THE FINANCIAL STATEMENTS

The Board of ORH expects that the acquisition of the ResCo Group will provide a range of synergies to both businesses. ORH businesses, including the proposed acquisition of the Enmac Group of Companies, provide similar or complementary services in Western Australia as major segments of the ResCo Group. The rationale for the acquisition includes the following:

- Allows ORH to expand its businesses, particularly the engineering business, geographically into New South Wales and Queensland. In this regard it is planned that some of ORH's products will be produced directly in ResCo's existing facilities. ResCo expects there to be a ready market for ORH's products.
- Provides a base for ResCo to expand its business into the growing Western Australia mining industry, including being able to leverage goodwill from their existing national and global clients. ORH's network will also assist in this expansion.
- Share industry and operational expertise to facilitate more efficient business practices.
- Merge similar businesses to provide a national service offering and achieve operational efficiencies.
- Provide some diversification of revenue and risk within both businesses through additional industry and geographic segments.
- Result in a larger, more robust business model, including through the reduction of debt.

Key Terms of Proposed Acquisition of ResCo Group

ORH, the ResCo Group and key majority vendors of the ResCo Group have entered into a conditional binding Term Sheet under which they have agreed to certain undertakings and arrangements to facilitate the acquisition by ORH of the ResCo Group. Subject to satisfactory due diligence by all parties, a formal Share Sale Agreement is expected to be entered into by early April 2010.

The total consideration for the acquisition of the ResCo Group will be the issue of 369,074,677 ordinary fully paid shares (being equivalent to the current issued capital of ORH together with the 4 million shares to be issued shortly to the vendors of the Enmac Group of Companies (refer ORH announcement dated 6 November 2009).

The proposed ResCo Acquisition is conditional on, amongst other things:

i) each of ORH and the ResCo Group being satisfied with the results of their respective due diligence enquiries;

ii) all shareholders in ResCo Services Pty Ltd and Springsure Mining Pty Ltd (other than key majority vendors who have already agreed to the transaction) agreeing to the sale;

iii) execution of a formal Share Sale Agreement;

iv) ORH raising a minimum of $22 million which will be applied primarily for debt reduction across the Resco Group;

v) ORH shareholder approval;

vi) any other regulatory approvals or consents and there being no regulatory action;

vii) no material adverse change in relation to the business, assets, liabilities or financial condition of the ResCo Group or ORH; and

viii) all required approvals in relation to any material contracts of ORH or the ResCo Group which may be required due to the change of shareholding of ORH or the ResCo Group (as applicable).

Subject to shareholder approval, ORH will be renamed ResCo Limited.

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NOTES TO THE FINANCIAL STATEMENTS

ORH capital raising update

ORH recently completed a $4.5 million capital raising in two tranches in late 2009 and is in the final stages of completing the acquisition of the Enmac Group of Companies pursuant to which it will issue 4 million shares and 2 million options as consideration. In addition to the $22 million planned capital raising, which is a condition of the proposed ResCo Acquisition, ORH intends to raise up to $1.5 million for working capital by an offer to its shareholders of the opportunity to participate in a share purchase plan for each shareholder to acquire up to $5,000 worth of shares at the same price ($0.034 per share) as offered to places in the Placement. The Company is progressing the share purchase plan and will provide a further update to shareholders shortly.

8 CONTINGENCIES

There are no contingencies at 31 December 2009.

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Directors' Declaration

In accordance with a resolution of the Directors of ORH Limited, I state that:

In the opinion of the Directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001,including:

  (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2009 and its performance for the half-year ended on that date; and

  (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Geoffrey Hann
Managing Director

Perth

26 February 2010

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Independent Review Report to the Members of ORH Limited

PKF
Chartered Accountants
& Business Advisers

To the members of ORH Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of ORH Limited, which comprises the consolidated statement of financial position as at 31 December 2009, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration for the consolidated entity of ORH Limited. The consolidated entity comprises both ORH Limited (the company) and the entities it controlled at 31 December 2009 or from time to time during the half year ended on that date.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2009 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of ORH Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

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Conclusion

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

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

PKF

Grant Saxon
Partner

26 February 2010
Sydney

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