

Thursday, 11 August 2011

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 31 July 2011

Month Ending:	% Change	31 July 2011 Consolidated	30 June 2011 Consolidated
Net tangible assets (NTA) (before tax)	+3.59%	\$17.965m	\$17.343m
Pre-Tax NTA Backing per share		\$1.008	\$0.9735
Net tangible assets (after tax)	+3.59%	\$17.965m	\$17.343m
Post-Tax NTA Backing per share		\$1.008	\$0.9735
Based on total issued share capital		17,814,389	17,814,389

The NTA position comprises the following items:

Net Tangible Assets	Current Month \$'millions	Previous Month \$'millions
Investment in listed Associated Entity:		
(a) Shares in Bentley Capital Limited (BEL)	7.274	7.089
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	4.590	4.089
(b) Shares in Alara Resources Limited (AUQ)	2.375	2.311
(c) Shares in other listed securities	0.071	0.069
Investment in property (held for development/resale)	1.800	1.800
Agribusiness assets (including inventories)	2.760	2.752
Net cash/receivables/payables/other assets/provisions	(0.904)	(0.768)
Pre-Tax NTA	\$17.965	\$17.343
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$17.965	\$17.343



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Notes for Current Month NTA Position:

- (1) The Company's investment in BEL, an Associated Entity (i.e. in which the Company has a greater than 20% interest), is accounted for under the equity method in the consolidated financial statements.
- Under the equity method, the carrying amount of such investment is cost plus a share of the Associate Entity's net profit or loss (after tax) for the financial year to month end as provided to the Company by such Associated Entity (refer note 1.3 (Summary of Accounting Policies – Investments in Associates) at page 20 of the Company's 2010 Annual Report).
- Accordingly, as at 31 July 2011, the Company's 20,513,783 shares (28.26% interest) (30 June: 20,513,783 shares and 28.26%) in BEL has a carrying value of \$0.3546 per share (\$7.274m); this compares with BEL's last bid price on ASX of \$0.225 per share (\$4.616m) and BEL's after tax NTA backing of \$0.394 per share (\$8.081m) at month end.
- (2) The fair value of investments in ASX listed Strike Resources Limited (**SRK**) comprise 16,690,802 shares (30 June: 16,690,802 shares) with a value of \$0.275 per share (based on the closing bid price on 31 July 2011) (30 June: \$0.245). The Company notes that SRK's closing bid price on 10 July 2011 was \$0.26 per share.
- (3) The fair value of investments in ASX listed Alara Resources Limited (**AUQ**) comprise 6,332,744 shares (30 June: 6,332,744 shares) with a value of \$0.375 per share (based on the closing bid price on 31 July 2011) (30 June: \$.365). The Company notes that AUQ's closing bid price on 10 July 2011 was \$0.275 per share.
- (4) The fair value of investments in other listed securities are based on each security's last bid price on market at month end.
- (5) Investment in property (held for development/resale) is carried at net realisable value (refer note 1.14 (Summary of Accounting Policies - Property held for Resale) at page 22 of the Company's 2010 Annual Report).
- (6) Agribusiness assets comprises a 143 hectare property comprising olive grove land and trees, depreciable plant and equipment, grove related infrastructure and olive oil inventories. The olive grove land and trees are carried at net realisable value (refer note 1.15 (Summary of Accounting Policies – Property, Plant and Equipment) at page 22 of the Company's 2010 Annual Report).
- (7) Tax Provision Item (c) includes where applicable, a provision for income tax on net unrealised gains on the Company's investments in securities and its share of Associated Entities' after tax net profit for the month (deferred tax liability) and the recognition of future income tax benefits on net unrealised losses on the Company's investments in securities and its share of Associated Entities' after tax net loss for the month (deferred tax asset).

Further information:

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