

Tuesday, 14 October 2014

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 September 2014

Month Ending:	% Change	30 September 2014 Consolidated	31 August 2014 Consolidated
Net tangible assets (NTA) (before tax)		\$7.890 m	\$7.769 m
Pre-Tax NTA Backing per share	+1.64%	\$0.496	\$0.488
Net tangible assets (after tax)		\$7.890 m	\$7.769 m
Post-Tax NTA Backing per share	+1.64%	\$0.496	\$0.488
Based on total issued share capital		15,905,528	15,905,528

On 26 September 2014, Associate entity, Bentley Capital Limited, paid a 0.95 cent per share fully franked dividend to its shareholders. The Company's share of this dividend was \$194,881.

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)	3.618	3.645
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.868	0.835
(b) Other listed securities	0.087	0.089
Investment in units in managed fund	0.256	0.256
Investment in property (held for development/resale)	1.490	1.490
Agribusiness assets	1.105	1.109
Net cash/receivables/payables/other assets/provisions	0.466	0.345
Pre-Tax NTA	\$7.890	\$7.769
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$7.890	\$7.769

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Notes:

- (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.
- (2) 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 23 of the Company's 2014 Full Year Report).

Accordingly, as at 30 September 2014, the Company's 20,513,783 shares (27.56% interest) (31 August 2014: 20,513,783 shares and 27.76%) in BEL have a carrying value of \$0.1764 per share (\$3.618m); this compares with BEL's last bid price on ASX of \$0.145 per share (\$2.974m) and BEL's after-tax NTA backing of \$0.207 per share (\$4.246m) at month end.
- (3) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 16,690,802 shares (31 August 2014: 16,690,802 shares) with a value of \$0.052 per share (based on the closing bid price on 31 September 2014) (31 August 2014: \$0.05).
- (4) The fair value of investments in other listed securities is based on each security's last bid price on market at month end.
- (5) Units invested in the managed fund are valued at the audited unit price published by the investment manager, as at month end – the unit price reflects the net asset backing of the fund; there is no buy/sell spread price; there is no recognition of realisation costs as there are no exit fees charged on redemption of units.
- (6) Investment in property (held for resale) is carried at net realisable value (refer note 1.13 (Summary of Accounting Policies - Property held for Resale) at page 26 of the Company's 2014 Full Year Report).
- (7) Agribusiness assets comprise a 143 hectare property comprising olive grove land and trees, depreciable plant and equipment, grove-related infrastructure. The olive grove land and trees are carried at net realisable value (refer note 1.14 (Summary of Accounting Policies - Property, Plant and Equipment) at page 26 of the Company's 2014 Full Year Report).
- (8) 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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