

Thursday, 14 July 2016

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 June 2016

Month Ending:	% Change	30 June 2016 Consolidated	31 May 2016 Consolidated
Net tangible assets (NTA) (before tax)		\$7.455m	\$7.817m
Pre-Tax NTA Backing per share	-4.61%	\$0.476	\$0.499
Net tangible assets (after tax)		\$7.455m	\$7.817m
Post-Tax NTA Backing per share	-4.61%	\$0.476	\$0.499
Based on total issued share capital		15,649,228	15,649,228

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)	3.407	3.631
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	0.400	0.440
(b) Other listed securities	0.056	0.063
Investment in units in managed fund	0.266	0.278
Investment in property (held for development/resale)	1.350	1.350
Agribusiness assets	2.007	2.010
Net cash/receivables/payables/other assets/provisions	(0.031)	0.045
Pre-Tax NTA	\$7.455	\$7.817
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$7.455	\$7.817



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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.
- 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 (Summary of Accounting Policies - Investments in Associates) at page 20 of the Company's [2015 Annual Report](#)).
- Accordingly, as at 30 June 2016, the Company's 20,513,783 shares (27.20% interest) (31 May 2016: 20,513,783 shares and 27.20%) in BEL have a carrying value of \$0.166 per share (\$3.406m); this compares with BEL's last bid price on ASX of \$0.135 per share (\$2.769m) and BEL's after-tax NTA backing of \$0.206 per share (\$4.224m) at month end.
- (2) The fair value of investments in ASX-listed Strike Resources Limited (**SRK**) comprise 10,000,000 shares (31 May 2016: 10,000,000 shares) with a value of \$0.04 per share (based on the closing bid price on 30 June 2016) (31 May 2016: \$0.044).
- (3) The fair value of investments in other listed securities is based on each security's last bid price on market at month end.
- (4) 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.
- (5) Investment in property (held for resale) was valued by an independent qualified valuer (a Certified Valuer and Associate Member of the Australian Property Institute) as at 30 June 2015 (refer note 1.13 (Summary of Accounting Policies - Property held for Resale) at page 23 of the Company's [2015 Annual Report](#)).
- (6) Agribusiness assets comprise a 143 hectare property comprising olive grove freehold land (with a water licence entitlement), olive trees (with approximately 64,500, 16 year old plantings) and depreciable plant and equipment. The land (with the water licence entitlement) was valued by an independent qualified valuer (a Certified Valuer and Associate Member of the Australian Property Institute) as at 30 June 2015 and the olive trees and depreciable plant and equipment are carried at net realisable value (refer note 1.14 (Summary of Accounting Policies - Property, Plant and Equipment) at page 23 of the Company's [2015 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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