

THORNEY OPPORTUNITIES LTD

ACN 080 167 264

ASX Announcement: **25 August 2014**

ASX Code: **TOP**

APPENDIX 4E AND 2014 ANNUAL REPORT

Thorney Opportunities Ltd

Financial results for the year ended 30 June 2014:

Results for announcement to the market

Thorney Opportunities Ltd is pleased to submit its inaugural financial statements for the year ended 30 June 2014.

In accordance with Listing Rule 4.3A, we enclose for immediate release the following information:

1. Appendix 4E; and
2. Thorney Opportunities Ltd 2014 Annual Report

Please direct enquiries to:

Craig Smith

Company Secretary

T: + 61 3 9921 7116

APPENDIX 4E (Listing Rule 4.3A)

Preliminary final report for the year ended 30 June 2014

RESULTS FOR ANNOUNCEMENT TO THE MARKET

(All comparisons to year ended
30 June 2013)

	\$'000s	Up/Down	% Movement
Total investment income (loss) from ordinary activities	(850)	Down	198.2
Loss (after tax) for the year	2,669	Up	934.0

Dividend information	Amount per shares (cents)	Franked amount per share (cents)	Tax rate for franking credit
2014 Final dividend per share	Nil	n/a	n/a
2014 Interim dividend per share	Nil	n/a	n/a

	30 June 2014	30 June 2013
Net tangible asset backing per ordinary share	46.6 Cents	45.3 cents

The comparative net tangible asset backing per ordinary share number has been adjusted for the 1:7 Share Consolidation that occurred on 2 December 2013.

Additional Appendix 4E disclosure requirements can be found in the Directors' report and the 30 June 2014 financial statements and accompanying notes.

This report is based on the financial statements of Thorney Opportunities Ltd which have been audited by Ernst and Young.

Thorney Opportunities Ltd

(formerly Wentworth Holdings Limited)

ABN 41 080 167 264

Annual Report 2014

Company particulars

Thorney Opportunities Ltd is a disclosing entity under the Corporations Act 2001 and currently considered an investment entity pursuant to ASX Listing Rules. The Company is primarily an investor in listed equities on the Australian securities market.

ASX Code:	TOP
Security:	Thorney Opportunities Ltd fully paid ordinary shares
Directors:	Alex Waislitz, Chairman Ashok Jacob Henry Lanzer Dr Gary Weiss
Secretary:	Craig Smith
Country of incorporation	Australia
Registered office:	Level 39, 55 Collins Street Melbourne Vic 3000
Contact details:	Level 39, 55 Collins Street Melbourne Vic 3000 T: + 613 9921 7116 F: + 613 9921 7100 E: craig.smith@thorney.com.au W: www.thorneyopportunities.com.au
Investment Manager:	Thorney Management Services Pty Ltd Level 39, 55 Collins Street Melbourne Vic 3000 AFSL: 444369
Auditor:	Ernst & Young, Melbourne 8 Exhibition Street Melbourne Vic 3000
Share Registry:	Boardroom Pty Limited Level 7, 207 Kent Street Sydney NSW 2000 T: + 612 9247 6755 F: + 612 9279 0664 W: www.boardroomlimited.com.au For all shareholder related enquiries please contact the share registry.
Annual General Meeting:	When: Tuesday 25 November 2014 at 4:00 pm Melbourne time Where: Arnold Bloch Leibler Level 21, 333 Collins Street Melbourne Vic 3000

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Chairman's letter

Dear fellow shareholders

Welcome to the 2014 Thorney Opportunities Ltd (TOP) Annual Report.

The period under review is one which saw significant transformation of the former Wentworth Holdings Limited. The Company has been restructured, recapitalised and repurposed to become Thorney Opportunities Ltd, a unique listed investment vehicle of which you are now a part owner. We have put in considerable effort into establishing proper accounting, tax, legal, investment and governance policies and practices.

As I wrote to you in June, in the first of our investment updates to shareholders, TOP aims to be a somewhat different style of Investment Company. We will concentrate on producing absolute returns for shareholders over the medium to long term. Our philosophy is not to do frequent and many deals but to be much more strategic, thoughtful, growth focused and value accretive through the careful selection of investments. In particular we seek opportunities which enable us to be a constructive catalyst to help unlock the value in companies over time.

We are very comfortable to hold cash until the right opportunities arise through the constant and ongoing research and due diligence activities of our investment team. This takes time, patience and discipline. It is the same approach from the investment team which has delivered outstanding capital growth for the private Thorney Investment Group over the past 20 years.

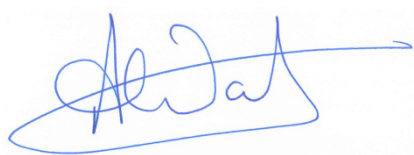
To date TOP has taken positions in Service Stream Limited, Money3 Corporation Limited and AMA Group Limited. We also inherited a shareholding in Australian Renewable Fuels Limited purchased by the former Wentworth Holdings board. I provided detail on the rationale for each of these positions in the June newsletter to shareholders referred to above.

We retain a considerable cash position of around \$53 million of the approximately \$80 million of gross assets within the Company. This puts us in a powerful position to take advantage of the current economic uncertainty and volatility of markets which I am certain will provide some excellent opportunities for TOP. We will continue to be very disciplined in identifying and investing only in those companies and situations which we believe will be value accretive for shareholders over time.

Chairman's letter continued

I am very confident that the considerable resources and management bandwidth we have put in place, together with the Thorney investment team's proven analytical, value driven approach and constructive catalyst strategies will deliver positive results for all TOP shareholders.

On behalf of my fellow board members and the entire investment team I want to thank you for your continued support and I look forward to an eventful and successful year ahead.



Alex Waislitz
Chairman

25 August 2014

Directors' report

The directors present their report, together with the financial statements of Thorney Opportunities Ltd (TOP or Company), for the year ended 30 June 2014 (FY14) and the auditor's report thereon. The financial statements have been reviewed and approved by directors on the recommendation of the Audit and Risk Committee.

1. Directors

The directors of TOP in office during the financial year and at the date of this report (unless otherwise stated) were as follows:

Current Board:

Alex Waislitz (Chairman)	Appointed 21 November 2013
Ashok Jacob	Appointed 21 November 2013
Henry Lanzer	Appointed 21 November 2013
Dr Gary Weiss	Appointed 21 November 2013

Former Wentworth Holdings Limited Board:

Vaughan Webber (Chairman)	Resigned 21 November 2013
Colin Cowden	Resigned 21 November 2013
Hugh Robertson	Resigned 3 September 2013
Nigel Sharp	Resigned 21 November 2013

Information on directors

Alex Waislitz BEc, LLB, Non-executive Chairman

Alex Waislitz was appointed Chairman of the Company on 21 November 2013. Mr Waislitz is the founder and Chairman of the private Thorney Investment Group, one of Australia's most successful private investment group. He has extensive business and capital markets experience and has been a member of several public company boards.

Mr Waislitz is the current Vice President of the Collingwood Football Club Limited where he has been a director since 1998.

He served on the boards of Zoos Victoria Foundation Board and the Victorian State Government Zoological Parks and Gardens between 2010 and 2012. He joined the Board of Maccabi World Union in 2012 and is a former member of the International Advisory Board for the MBA program at Ben Gurion University School of Management.

In 2013, Mr Waislitz established the Waislitz Foundation, a registered charity with focus on community projects, education, health, indigenous programs and the Arts.

Mr Waislitz is a graduate of Monash University in Law and Commerce and a Graduate of the Harvard Business School OPM Program.

Directors' report continued

1. Directors continued

Information on directors continued

Ashok Jacob BSc, MBA, Non-executive Director

Ashok Jacob was appointed a director of the Company on 21 November 2013. Mr Jacob was a former executive of the private Thorney Investment Group and is currently the Chairman of Ellerston Capital.

Mr Jacob also holds directorships with Crown Limited, Visy Board Australia, Consolidated Press Holdings Limited and MRF Limited. He was recently appointed Chairman of the Australia-India Council

He holds a Master of Business Administration from the Wharton School, University of Pennsylvania and a Bachelor of Science from the University of Bangalore.

Henry D. Lanzer B.Com., LLB (Melb), Non-executive Director

Henry Lanzer LLB, was appointed a director of the Company on 21 November 2013. Mr. Lanzer is Managing Partner of Arnold Bloch Leibler - a leading Australian commercial law firm - and has over 30 years' experience in providing legal and strategic advice to some of Australia's leading companies.

He is Chairman of the Audit & Risk Committee for Thorney Opportunities Ltd.

Mr Lanzer is also a Director of Premier Investments Ltd, a Director of Just Group Limited and a director of the TarraWarra Museum of Art. He is a Life Governor of the Mount Scopus College Council.

Dr Gary Weiss LLB(Hons), LLM, J.S.D., Non-executive Director, Lead independent Director

Dr Gary Weiss was appointed a director of the Company on 21 November 2013. Dr Weiss has considerable expertise in financial services businesses and extensive international business experience.

He holds several other directorships including as director of Ariadne Australia Limited since November 1989 and as Chairman of ClearView Wealth Limited and Secure Parking Pty Ltd.

Other current directorships include Premier Investments Limited, Ridley Corporation Limited, Mercantile Investment Company Limited, Pro-Pac Packaging Limited and Tag Pacific Limited and was recently appointed as a director of The Straits Trading Company Limited.

Dr Weiss' previous directorships include Guinness Peat Group plc, Westfield Group, Coats plc (Chairman), Tower Australia Limited, Australian Wealth Management Limited, Tyndall Australia Limited (Deputy Chairman), Joe White Maltings Limited (Chairman), CIC Limited, Whitlam Turnbull & Co Limited and Industrial Equity Limited.

2. Company Secretaries

Craig Smith CPA, ACIS Appointed 21 November 2013

Mr Smith is the Company Secretary of TOP and has been the Chief Financial Officer of the private Thorney Investment Group since 2008. Prior to joining Thorney, Mr Smith held CFO / Company Secretarial roles with ASX listed companies Baxter Group Limited and Tolhurst Noall Limited.

Ron Hollands ACA Resigned 21 November 2013

Directors' report continued

3. Principal activities

Thorney Opportunities Ltd is a listed investment company with a flexible investment mandate which focuses primarily on public listed companies and where opportunity exists for latent value to be unlocked over the medium to long term.

In addition, Thorney Opportunities Ltd will consider short term opportunities by taking advantage of event-driven situations and utilising alternate investment methodologies including derivatives.

4. Result

The 2014 financial year operating loss was \$2,669,210 (2013: \$258,150).

The 2014 result was adversely impacted by one-off costs incurred in completing the Company's recapitalisation proposals (\$719,038) and from the diminution of investments that had been acquired by the previous Wentworth board (\$2,738,946).

5. Dividends

No dividend was paid or declared during the financial year (2013: \$nil).

6. Review of operations

The Company completed a significant transformation during the 2014 financial year.

In July 2013, the Company, then known as Wentworth Holdings Limited, received a proposal from Thorney Holdings Pty Ltd, an entity controlled by Alex Waislitz, to recapitalise the Company and appoint an investment manager. The principal component of the recapitalisation was for the Company to complete an exempt placement to sophisticated investors and a retail offer to existing shareholders. Initially, a \$50,000,000 recapitalisation plan was announced; however, due to high demand this amount was increased.

The Thorney proposals included Thorney Holdings committing to increase its holding in the Company to 30%, entering an investment management agreement with Thorney Investment Group and the appointment of Alex Waislitz as Chairman of the Board.

An Implementation Deed was signed by the Company with Thorney Holdings and announced to the Australian Securities Exchange (ASX) in September 2013.

At the Annual General Meeting in November 2013, shareholders approved all the Thorney proposals, including electing a new board and appointing Thorney Management Services Pty Ltd as the Investment Manager. Other resolutions included changing the Company's name from Wentworth Holdings Limited to Thorney Opportunities Ltd and appointing Ernst & Young as the Company's auditor.

On 2 December 2013 the Company completed a 1 for 7 share consolidation.

By mid-January 2014 TOP had completed the various capital raising components which in aggregate reached \$68,200,000. This amount included Thorney Holdings fulfilling its commitment by subscribing \$21,100,000.

On 15 April 2014 all eligible shareholders¹ were granted 1 free option for every 2 shares held.

¹ Eligible shareholders being a shareholder with a registered address in either Australia or New Zealand

Directors' report continued

7. Financial position

Since assuming investment management responsibility and by 30 June 2014, the Investment Manager had completed the following significant transactions which were separately announced to ASX:

Company	ASX Code	Capital invested \$
Service Stream Limited	SSM	6,892,563
Money3 Corporation Limited (equity, bond, option)	MNY	11,743,510
AMA Group Limited	AMA	5,217,741
		23,853,814

Net tangible asset backing per share	2014	2013
Net tangible assets (\$)	78,410,766	14,440,886
Shares on issue	168,363,261	31,907,718
Net tangible asset backing cents per share	46.6	45.3

At 30 June 2014 the Company had cash assets of \$53,387,315.

8. Prospects

Whilst the Company retains a substantial cash position as at 30 June 2014, the Company remains committed to maintaining its disciplined approach to investing.

The Board is cautiously optimistic that, in this economic environment, opportunities will emerge over the coming months which may be attractive to Thorney Opportunities Ltd.

9. Material business risks

The Company's risk management and compliance framework operated effectively throughout the financial year ensuring that the 2 main areas of risk that have been identified (investment risk and operational risk) were appropriately monitored and managed.

With an investment mandate with exposures to small to medium size capitalisation companies, TOP will always bear market risk as it invests its capital in assets that are not risk free.

10. Significant changes in the state of affairs

Total equity increased to \$78,410,766 from \$14,440,886, an increase of \$63,969,880. The movement was the result of an exempt placement, a retail offer and options exercised which raised a total of \$68,229,438 less the costs of issue of \$1,590,348 and less the net loss for the year of \$2,669,210.

11. Options

On 15 April 2014, the Company issued 84,143,198 options to shareholders. Each option entitles the holder to purchase 1 ordinary share in TOP at an exercise price of 53 cents. The options expire 22 April 2015.

During the financial year option holders paid \$29,438 to exercise options to acquire 55,543 ordinary shares in TOP.

As at the date of this report there were 84,086,788 unissued ordinary shares under options (84,087,655 at the reporting date).

Directors' report continued

12. Events subsequent to balance date

On 21 July 2014 the Company received 5 million options in Money3 Corporation Limited [ASX:MNY]. The options have an exercise price of \$1.30, an expiry date of 16 May 2018 and are tradeable [ASX:MNYO].

13. 2014 Remuneration report (Audited)

This report outlines the Key Management Personnel remuneration arrangements of the Company in accordance with the requirements of the Corporations Act 2001 and its Regulations.

For the purposes of the report, Key Management Personnel are defined as those persons and corporate entities having authority and responsibility for planning, directing and controlling activities of the Company.

For Thorney Opportunities Ltd the Key Management Personnel are the Non-executive Directors and the Investment Manager.

(a) Remuneration of Directors

The Non-executive Directors are remunerated by the Company. It is the policy of the Board to remunerate Directors at market rates commensurate with the responsibilities undertaken by Non-executive Directors. The remuneration of the Independent Non-executive Directors is not linked to the performance of the Company.

The Non-executive Chairman is not remunerated by the Company.

Non-executive Directors' fees

The Non-executive Directors' base remuneration is reviewed annually. Fees paid to each Director have remained unchanged from the time of their appointment. The amount of base remuneration is not dependant on the satisfaction of a performance condition, or on the performance of the Company, the Company's share price, or dividends paid by the Company.

Non-executive Chairman's fees

The Non-executive Chairman, Alex Waislitz, receives zero directors' fees for his role as Chairman and director of TOP.

Retirement benefits for Directors

The Company does not provide retirement benefits (other than superannuation) to the Non-executive Directors.

The Investment Manager does not provide retirement benefits (other than superannuation) to the Non-executive Chairman.

Other benefits (including termination) and incentives

The Company does not pay other benefits and incentives to the Non-executive Directors. The Company and the Investment Manager do not pay other benefits and incentives to the Non-executive Chairman.

Directors' report continued

13. 2014 Remuneration report (Audited) continued

(b) Remuneration of the Investment Manager

The Investment Manager is a corporate entity controlled by Mr Waislitz that has specified authority and responsibility in regard to the management of the Company's investment portfolio and is remunerated by the Company in accordance with the Investment Management Agreement (IMA) between the Company and the Investment Manager. In respect of the year ended 30 June 2014, the Investment Manager was entitled to:

- a Base Fee of \$722,926 (GST exclusive), being a Base Fee equal to 0.75% per half year of the gross asset value of the Company, payable half-yearly in arrears, calculated as at the last business day of the relevant half-year; and
- a Performance Fee, in respect of each financial year, equal to a fee the greater of zero and the amount calculated as 20% of the Increase Amount. The Increase Amount is the adjusted Net Asset Value for the current period less the Net Asset Value from the previous period and less a hurdle, equivalent to the value of any Base Fee paid or accrued. Performance fee entitlements are calculated on an annual basis, commencing on 1 July of each financial year.

No Performance Fee was paid or payable in respect of the year ended 30 June 2014 as there was no Increase Amount. If there is no Increase Amount for a financial year, the shortfall is not carried forward and not deducted from any increase in future financial year(s) for the purposes of calculating future Performance Fees.

(c) Details of Remuneration

Key Management Personnel received the following remuneration amounts:

2014	Short term benefits		Post-employment benefits	Total
	Fees \$	Other ⁴ \$	Superannuation \$	
Current Directors¹				
Alex Waislitz	0	0	0	0
Ashok Jacob	29,166	0	2,699	31,865
Henry Lanzer ²	32,083	0	0	32,083
Gary Weiss	29,166	0	2,699	31,865
Sub-total	90,415	0	5,398	95,813
Former Directors³				
Vaughan Webber	11,750	97,460	3,627	112,837
Colin Cowdon	5,875	27,460	3,083	36,418
Hugh Robertson	2,500	27,460	2,771	32,731
Nigel Sharp	5,875	27,460	3,083	36,418
Sub-total	26,000	179,840	12,564	218,404
Total Directors' Fees	116,415	179,840	17,962	314,217
Other				
Ron Hollands	124,098	0	0	124,098
Total Key Management Personnel remuneration	240,513	179,840	17,962	438,315

¹ Remuneration from 21 November 2013 until 30 June 2014

² Mr Lanzer's fees are paid or payable to Arnold Bloch Leibler

³ Remuneration from 1 July 2013 until 21 November 2013

⁴ Extra directors'/consulting fees for additional workload on transitional issues

Directors' report continued

13. 2014 Remuneration report (Audited) continued

(c) Details of Remuneration continued

Key Management Personnel received the following remuneration amounts:

2013	Short term benefits		Post-employment benefits	Total
	Fees \$	Other ⁶ \$	Superannuation \$	
Former Directors				
Vaughan Webber	30,000	35,000	4,950	69,950
Colin Cowdon	15,000	25,000	3,600	43,600
Hugh Robertson	15,000	25,000	3,600	43,600
Nigel Sharp	15,000	25,000	3,600	43,600
Total Directors' Fees	75,000	110,000	15,750	200,750
Other KMP				
Ron Hollands	153,725	0	0	153,725
Total Key Management Personnel remuneration	228,725	110,000	15,750	354,475

⁶ One off directors'/consulting fees

(d) Service Arrangements

The following service arrangements have been agreed between the Company and the Independent Non-executive Directors with respect to remuneration and other terms of employment.

Ashok Jacob

- Commenced 21 November 2013
- No term has been set unless the Director is not re-elected by shareholders of the Company
- Base annual fee of \$50,000 plus superannuation

Henry Lanzer

- Commenced 21 November 2013
- No term has been set unless the Director is not re-elected by shareholders of the Company
- Base annual fee of \$50,000 (GST exclusive)

Gary Weiss

- Commenced 21 November 2013
- No term has been set unless the Director is not re-elected by shareholders of the Company
- Base annual fee of \$50,000 plus superannuation

(e) Employment agreement

The Non-executive Chairman has an employment agreement with Tiga Trading Pty Ltd, a related body corporate of the Investment Manager, not the Company.

- Commenced as Director on 21 November 2013
- No term of agreement has been set unless the Director is not re-elected by shareholders of the Company
- No base salary or other compensation was received from the Company
- The Director is employed under an employment agreement with Tiga Trading Pty Ltd which will continue indefinitely until terminated

Directors' report continued

14. Directors' relevant interests

Directors' relevant interests in shares and options as notified by Directors to the Australian Securities Exchange in accordance with the Corporations Act 2001, at the date of this report are as follows:

	Ordinary shares	Options
Alex Waislitz	50,566,855	25,283,428
Ashok Jacob	1,034,934	517,467
Henry Lanzer	100,000	50,000
Gary Weiss	9,971	4,986

15. Board and committee meetings

The number of Board meetings, including meetings of Board Committees, held during the year ended 30 June 2014 and the number of those meetings attended by each Director is set out below:

	Board Meetings		Audit & Risk Committee	
	No. of meetings held while a Director	No. of meetings attended	No. of meetings held while a Director	No. of meetings attended
<u>Current board:</u>				
Alex Waislitz	5	5	2	2
Ashok Jacob	5	5	2	1
Henry Lanzer	5	5	2	2
Gary Weiss	5	4	2	1
<u>Former board:</u>				
Vaughan Webber	10	9	2	2
Colin Cowden	10	10	2	2
Hugh Robertson	4	3	2	2
Nigel Sharp	10	10	2	2

The former Board maintained a Remuneration Committee but no meetings were held during the financial year. The current Board has not established a Remuneration Committee and issues that would otherwise be considered by a Remuneration Committee will be considered by the Board instead.

The former Board also maintained an Investment Committee which generally sat as part of Board meetings. With the appointment of the Investment Manager, the formal Board Investment Committee has been disbanded and the current Board now has a standing Board meeting item *Investment Update* in which all significant current and prospective investment matters are reviewed.

Directors' report continued

16. Environmental regulation

The operations of TOP are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

17. Indemnification and insurance of officers and auditor

TOP has paid insurance premiums in respect of directors' and officers' liability for current and former directors and officers of the Company.

The insurance policies prohibit disclosure of the nature of the liabilities insured against and the amount of the premiums.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from any non-audit services (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

18. Auditor's independence declaration

The Auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 15.

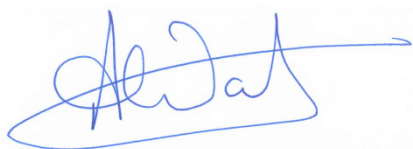
19. Non-audit services

Details of the amounts paid or payable to Ernst & Young for audit services provided during the year are set out in note 15 to the financial statements on page 37 of this report.

There were no non-audit services performed by the Company's auditor, Ernst & Young, during the 2014 financial year.

This report is made in accordance with a resolution of the Board of Directors.

On behalf of the Board

A handwritten signature in blue ink, appearing to read 'Alex Waislitz', with a long horizontal stroke extending to the right.

Alex Waislitz
Chairman

Melbourne, 25 August 2014

Auditor's Independence Declaration to the Directors of Thorney Opportunities Ltd

In relation to our audit of the financial report of Thorney Opportunities Ltd for the financial year ended 30 June 2014, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



Ernst & Young



Kester Brown
Partner

Melbourne
25 August 2014

Corporate governance statement

For the 2014 financial year the Company reports against the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations with 2010 Amendments* (ASX Recommendations).

A new edition, the Third Edition, was released by ASX on 27 March 2014 and takes effect on 1 July 2014.

2014 Corporate governance statement

Thorney Opportunities Ltd (Thorney Opportunities, TOP or Company) is committed to developing and maintaining an effective system of corporate governance which is commensurate with the size and nature of the Company, its Board and the scope of its operations.

In the following statements we detail how the Company adheres to the 8 core principles and where there is non-adherence we disclose why it is necessary to take a different approach.

Principle 1: Lay solid foundations for management and oversight

The primary role of the Board is to ensure the long-term prosperity of Thorney Opportunities.

The Board is responsible for a broad range of matters and will act in the best interests of the Company to ensure that the business of the Company is properly managed. The Company has no employees and its day-to-day functions and investment activities are managed by Thorney Management Services Pty Ltd (Investment Manager) pursuant to an investment Management Agreement (IMA) approved by shareholders.

The Board is also responsible for:

- monitoring and assessing the performance of the Investment Manager
- approving the objectives, goals and strategic plans proposed by the Investment Manager with a view to maximising shareholder value
- ratifying significant investment portfolio transactions and monitoring portfolio performance
- undertaking Director nomination matters which includes succession planning and ensuring that an appropriate mix of skills, expertise and diversity is maintained
- maintaining and approving risk management and internal control systems
- oversight of the Company's process of communications and disclosures
- approving capital management, capital expenditure and acquisitions
- developing and approving Company policies, procedures and code of conduct

The Board may delegate any of the above matters to individual Directors, Board Committees or the Investment Manager but any such delegation shall be in accordance with the law and the Company's *Constitution*.

The Board meets at least quarterly. At these meetings senior managers of the Investment Manager report on the Company's operations. The Board has adopted a *Board Charter* that stipulates which operational activities and what levels of authority have been delegated to the Investment Manager.

The independent directors meet at least once a year to review and evaluate the performance of the Investment Manager.

The Investment Manager has an established induction process for all its employees with responsibilities under the IMA. As part of this induction process, new senior executives will receive briefings on the business of the Company and the Investment Manager and their policies and procedures. These briefings will focus on the key operational, regulatory, risk and compliance issues that are of relevance to the Company and the Investment Manager.

Corporate governance statement continued

Principle 2: Structure the board to add value

Board Composition

The Board must comprise Directors with an appropriate range of skills, experience and expertise. Background information on Directors in office at the date of this Annual Report are set out in the Directors' Report.

The Company's Constitution provides that there must be a minimum of 3 and a maximum of 10 directors.

Having regard to the size and the nature of its business, the Company has determined that a 4 member board is appropriate and sufficient to enable it to effectively discharge its responsibilities to the Company.

Director independence

The Board currently comprises 2 independent, non-executive directors (Ashok Jacob and Gary Weiss) and 2 non-independent non-executive directors (Alex Waislitz and Henry Lanzer). The Board regularly assesses the independence of each non-executive director.

Thorney Opportunities notes that the current Board does not comply with ASX Recommendation 2.1 with respect to a majority of independent directors. The Board considers that all Directors of TOP bring significant expertise and investment experience to the Company and the current structure is considered appropriate for the Company at this time.

Directors are elected by shareholders and in accordance with the provisions of the Constitution, no director holds office for a period longer than 3 years without standing for re-election by the shareholders.

The Board has not set limits on the maximum tenure of office that any non-executive director may serve but reserves its right to do so at some point in the future.

Chairman and independence

Thorney Opportunities notes that ASX Recommendation 2.2 states that the chair should be independent and that ASX Recommendation 2.3 states that the roles of the chair and the CEO should not be exercised by the same person.

The Board takes the view that it is in the best interests of shareholders that Mr Waislitz be the Chairman of Thorney Opportunities and we make the following observations:

- Mr Waislitz, as the long-term chairman and CEO of the private Thorney Investment Group, has a demonstrated track record of successful investment performance over 2 decades.
- In November 2013, shareholders voted in favour of all Thorney Investment Group proposals, including the appointment of Mr Waislitz as a director, on the basis he be appointed Chairman of the Company.
- There are well-credentialed independent directors serving on the Board.
- Delegation of certain responsibilities to Board committees.
- The appointment of Dr Gary Weiss as Lead independent director.

Nomination and appointment of new Directors

ASX Recommendation 2.4 states that a board should establish a nomination committee. Given the size and nature of the Company, the Board has determined that a Nomination Committee is not warranted.

The Board considers the issues that would otherwise be considered by a Nominations Committee.

Corporate governance statement continued

Principle 2: Structure the board to add value continued

Board performance

Each year a formal process to review director performance is conducted both of the individual director as well as the Board as a whole. In some years where appropriate the Board may engage external consultants in the process. In other years the Chairman conducts one-on-one discussions with directors to review their performance and gives each director the opportunity to raise any particular concerns or issues. The process should address all aspects of the Board's operations with the findings reported to the Board. The Chairman oversees development and implementation of any changes that have been recommended in the review.

Each director may obtain independent professional advice at the expense of the Company on matters arising in the course of their Board duties. The payment for the cost of the advice by the Company is subject to the approval of the Chairman, which will not be unreasonably withheld.

Principle 3: Promote ethical and responsible decision making

Code of Conduct and Conflicts of Interest

The Company has established a *Code of Conduct* that provides guidance to Directors and employees of the Investment Manager. Under these principles Directors will:

- conduct business in good faith and in a manner that will maintain confidence in the Company's integrity;
- perform their duties to high standards of honest, ethical and law-abiding behaviour;
- treat others with dignity and respect; and
- not engage in conduct likely to adversely affect the reputation of Thorney Opportunities.

The *Code of Conduct* also sets out details of how conflicts of interest should be avoided. Directors must disclose to the Company any material personal interest they or their associates may have in a matter that relates to the affairs of the Company, and inform the Board, via the Company Secretary, of any changes.

Where conflicts of interest arise, the Code sets out appropriate arrangements that must be followed.

A copy of the *Code of Conduct* is available on the Company's website.

Trading Policy

The Company has a policy which sets out the circumstances in which a Director may trade the Company's securities. The Policy sets out restrictions including black-out periods, trading windows and the requirement to obtain pre-trade approval.

A revised *Trading Policy* was approved by directors and released to the Australian Securities Exchange on 18 June 2014 and a copy is available on the Company's website.

The Investment Manager has established a *Personal Trading Policy*. This Policy sets out the circumstances in which employees of the Investment Manager may trade in the Company's securities and securities generally. The Policy also sets out restrictions including black-out periods, trading windows and the requirement to obtain pre-trade approval.

Diversity

The Company has not promulgated a *Diversity Policy* nor has it set any measurable objectives for gender diversity in compliance with ASX Recommendations 3.2, 3.3 and 3.4. As TOP has no employees the board has determined that a *Diversity Policy* and the setting of measurable objectives to achieve gender diversity are not warranted at this time. However, the composition of the board is periodically reviewed.

Corporate governance statement continued

Principle 4: Safeguard integrity in financial reporting

Audit Committee

Thorney Opportunities has established an Audit and Risk Committee and adopted an *Audit and Risk Committee Charter*. Henry Lanzer (as Committee Chairman) and Alex Waislitz have been formally appointed to the Committee but all directors are invited and encouraged to attend each meeting. The Board notes the committee structure guidelines set out in ASX Recommendation 4.2 but believes that given the size and nature of the Company and the Board, the committee structure is sufficiently appropriate to independently verify and safeguard the integrity of the financial reporting.

Directors' qualifications and attendance at committee meetings is included in the directors' report.

The Charter includes information on the procedures for selection and appointment of the external auditor of Thorney Opportunities and for the rotation of the external audit engagement partner. This year shareholders appointed Ernst & Young as the company's auditor and this marks Year 1 under the rotation policy.

Principle 5: Make timely and balanced disclosures

Thorney Opportunities has adopted a *Continuous Disclosure Policy* which has procedures designed to ensure compliance with ASX Listing Rule and Corporations Act disclosure requirements and to ensure accountability of Directors and senior management of the Investment Manager for that compliance.

The policy, which is available on the Company's website, has procedures designed to ensure that material information is communicated to the Chairman and Company Secretary and for the assessment of information for the disclosure of material information to the market.

The Board acknowledges the importance of promoting timely and balanced disclosure of all material matters concerning Thorney Opportunities and believes it is fully compliant with Principle 5 and its recommendations.

Principle 6: Respect the rights of shareholders

Thorney Opportunities has a *Communications Policy* which seeks to promote effective communication with our shareholders. The Company communicates in several ways including via its Annual Report and Half-yearly accounts, monthly net tangible asset backing announcements, shareholder updates from the Chairman and other ASX announcements regarding material investments and other developments.

The Company is currently undertaking a process to revamp the Thorney Opportunities Ltd website www.thorneyopportunities.com.au and fully expects to complete this important project in the coming months.

Annual General Meeting

TOP's AGM will be held on Tuesday 25 November 2014 at 4:00 pm Melbourne time in the boardroom of Arnold Bloch Leibler, Level 21, 333 Collins Street Melbourne.

Principle 7: Recognise and manage risk

The Board, through the Audit and Risk Committee, is responsible for setting policies for oversight of risk and identification and management of material business risks. Thorney Opportunities has an approved *Audit and Risk Committee Charter* (see Principle 4 above) and in conjunction with the Investment Manager has adopted a *Risk Management Policy*.

Corporate governance statement continued

Principle 7: Recognise and manage risk continued

The Investment Manager has implemented a risk management and compliance framework which enables the identification of risks, the execution of appropriate responses, the monitoring of risks and the controls applied to mitigate risks.

The main areas of risk that have been identified are market risk and operational risk. As a listed investment company Thorney Opportunities will always bear market risk as it must invest its capital in assets that are not risk free. Operational risks can include legal, regulatory, disaster recovery, systems, process and human resource risks. Our risk management framework has been designed to monitor, review and continually improve risk management throughout the Company.

Assurance

Thorney Opportunities does not employ its own CEO or CFO. However for the purposes of section 295A of the Corporations Act and ASX Recommendation 7.3, the Chairman and Company Secretary provide the required assurances and declarations each half-year.

The Thorney Opportunities Board has received assurance from the Chairman and Company Secretary that, in their opinion:

- the financial records of the Company have been properly maintained;
- the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company; and
- the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Principle 8: Remunerate fairly and responsibly

Remuneration Committee

ASX Recommendation 8.1 states that a board should establish a remuneration committee. Given the size and nature of the Company and the fact the company does not employ executives, the Board has determined that a Remuneration Committee is not warranted, nor does it have a *Remuneration Policy* to disclose.

Non-executive Directors are remunerated by a fixed director's fee including superannuation, as permitted by the Company's Constitution. The Non-executive Chairman is employed by the private Thorney Investment Group and does not receive any salary, benefits or incentives for his role as a Director of TOP.

The maximum remuneration of Non-executive Directors is determined by Shareholders at a General Meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. At present the maximum aggregate remuneration of Non-executive Directors is \$400,000 per annum. The apportionment of non-executive Director Remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-executive Director. The Board may award additional remuneration to Non-executive Directors called upon to perform extra duties or services on behalf of the Company. The amount of remuneration for all directors, including all monetary and non-monetary components, are detailed in the directors' report under *2014 Remuneration Report (audited)*.

Investment Manager

The Investment Manager has specified authority and responsibility in regard to management of the Thorney Opportunities investment portfolio. The Investment Manager is entitled to a base fee and a performance fee in accordance with the IMA. Persons involved in investment management are employees of the private Thorney Investment Group and are not remunerated by the Company. Further details on the fees paid to the Investment Manager are included in the financial statements.

Statement of comprehensive income

For the year ended 30 June 2014

	Note	2014 \$	2013 \$
Income			
Net changes in fair value of trading investments	3	(2,592,925)	299,790
Interest received	3	1,586,501	495,462
Other income	3	156,176	70,694
Total investment income/(loss)	3	(850,248)	865,946
Expenses			
Management fees	20	(740,999)	-
Directors' fees	20	(124,491)	(190,750)
Fund administration and operational costs		(53,386)	-
Legal and professional fees		(110,965)	(482,159)
Other administrative expenses		(70,083)	(146,026)
Total expenses before significant items		(1,099,924)	(818,935)
Significant items			
Restructuring costs		(719,038)	-
Bad debt		-	(305,161)
Loss before income tax		(2,669,210)	(258,150)
Income tax (expense)/benefit	4	-	-
Total comprehensive loss for the year		(2,669,210)	(258,150)
		2014 cents	2013 cents
Basic and diluted (loss)/earnings per share	13	(2.47)	(0.81)

The Statement of comprehensive income should be read in conjunction with the notes to the financial statements.

Statement of financial position

As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
Current assets			
Cash and short-term deposits	5	53,387,315	11,115,579
Financial assets	6	17,064,268	3,359,992
Receivables	7	272,907	19,825
Other assets	8	112,897	16,802
Total current assets		70,837,387	14,512,198
Non-current assets			
Financial assets	6	10,000,000	-
Total non-current assets		10,000,000	-
TOTAL ASSETS		80,837,387	14,512,198
LIABILITIES			
Current liabilities			
Payables	9	811,247	71,312
Borrowings	10	1,615,374	-
Total current liabilities		2,426,621	71,312
TOTAL LIABILITIES		2,426,621	71,312
NET ASSETS		78,410,766	14,440,886
EQUITY			
Issued capital	11	81,033,330	79,109,240
Accumulated losses	12	(2,622,564)	(64,668,354)
TOTAL EQUITY		78,410,766	14,440,886

The Statement of financial position should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 30 June 2014

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2013	79,109,240	-	(64,668,354)	14,440,886
Loss for the year	-	-	(2,669,210)	(2,669,210)
Total comprehensive income for the year	-	-	(2,669,210)	(2,669,210)
<u>Transactions with shareholders:</u>				
Shares issued – Exempt Placement	56,200,000	-	-	56,200,000
Shares issued – Retail Offer	12,000,000	-	-	12,000,000
Shares issued – options exercised	29,438	-	-	29,438
Cost of shares issued	(1,590,348)	-	-	(1,590,348)
S258F capital reduction	(64,715,000)	-	64,715,000	-
Total transactions with shareholders	1,924,090	-	64,715,000	66,639,090
Balance as at 30 June 2014	81,033,330	-	(2,622,564)	78,410,766

For the year ended 30 June 2013

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2012	78,601,558	531,000	(64,410,204)	14,722,354
Loss for the year	-	-	(258,150)	(258,150)
Total comprehensive income for the year	-	-	(258,150)	(258,150)
<u>Transactions with shareholders:</u>				
Share buy-back	(23,003)	-	-	(23,003)
Cost of share buy-back	(315)	-	-	(315)
Transfer of reserves to capital	531,000	(531,000)	-	-
Total transactions with shareholders	507,682	(531,000)	-	(23,318)
Balance as at 30 June 2013	79,109,240	-	(64,668,354)	14,440,886

The Statement of changes in equity should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the year ended 30 June 2014

		2014 \$	2013 \$
Cash from operating activities:			
Interest received		1,333,419	608,402
Dividends received		150	-
Proceeds from sale of trading investments		1,161,618	-
Payments for trading investments		(15,843,445)	(3,060,203)
Payments to suppliers and employees		(1,175,122)	(744,263)
Other inflows from operating activities		156,026	70,694
Net cash (used in)/provided by operating activities	5(a)	(14,367,354)	(3,125,370)
Cash flows from investing activities:			
Loan repayment received		-	328,200
Payments for long-term investments		(10,000,000)	-
Net cash provided by investing activities		(10,000,000)	328,200
Cash flows from financing activities:			
Proceeds from issue of shares		68,229,438	-
Payment for transaction costs		(1,590,348)	-
Payment for buy-back of shares		-	(23,317)
Dividend paid to members		-	(839)
Net cash provided by/(used in) financing activities		66,639,090	(24,156)
Net (decrease)/increase in cash held		42,271,736	(2,821,326)
Cash at the beginning of the year		11,115,579	13,936,905
Cash at the end of the year	5	53,387,315	11,115,579

The Statement of cash flows should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1. Corporate information

TOP is a company limited by shares, incorporated and domiciled in Australia. The nature of the operations and principal activities of the company are described in the director's report.

The Company's investment activities are managed by Thorney Management Services Pty Ltd (Investment Manager) pursuant to an Investment Management Agreement approved by Shareholders.

The financial statements of Thorney Opportunities Ltd for the year ended 30 June 2014 were authorised for issue in accordance with a resolution of the Board of Directors on 25 August 2014.

2.1 Summary of accounting policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Accounting Standards Board. The financial statements are presented in Australian Dollars and the company is a for-profit entity for the purpose of preparing financial statements.

The annual report has also been prepared on a historical cost basis, except for financial assets and financial liabilities held at fair value through profit or loss, that have been measured at fair value.

Statement of compliance

The financial statements have been prepared in accordance with the Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board.

Changes in Accounting Standards

The Company has adopted new and amended Australian Accounting Standards and AASB Interpretations as of financial year 2014. The nature and impact of each of the relevant new standards and amendments is described below:

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards. AASB 13 defines fair value as an exit price. As a result of the guidance in AASB 13, the Company reassessed its policies for measuring fair values, in particular, its valuation inputs such as non-performance risk for fair value measurement of liabilities. AASB 13 also requires additional disclosures.

Application of AASB 13 has not impacted the Company's financial position or performance. However, the disclosure requirements are more comprehensive than previous disclosure requirements. Additional disclosures where required, are provided in the individual notes related to the assets and liabilities whose fair values were determined. The fair value hierarchy is provided in Note 6.

Notes to the financial statements continued

2.1 Summary of accounting policies continued

(a) Basis of preparation continued

AASB 9 Financial Instruments

The early adoption of this accounting standard affected the classification of financial assets. In the prior period, all financial assets were designated as available for sale, which is no longer an available designation under AASB 9. The company now has two discrete investment profiles, trading and long term investing. At the date of application of AASB 9 (1 July 2013), the Company redesignated \$3,359,992 in financial assets that are held for trading as fair value through profit or loss. These amounts have been reclassified in the Statement of financial position for comparative purposes.

The effect of this change on the prior period comparatives is as follows:

2013	Reserves \$	Accumulated losses \$
Per 2013 Annual Report	299,790	(64,968,144)
Fair value adjustment – available for sale assets	(299,790)	299,790
Prior year comparatives restated	-	(64,668,354)

The following new and amended Australian Accounting Standards and AASB Interpretations adopted had no impact on the Company:

- AASB 10 Consolidated Financial Statements;
- AASB 11 Joint Arrangements;
- AASB 12 Disclosure of Interests in Other Entities; and
- AASB 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities – Amendments to AASB 7

Standards issued that might have an impact but not yet effective

Standards issued that might have an impact but are not yet effective up to the date of issuance of the Company's financial statements are listed below. The Company intends to adopt applicable standards when they become effective.

Offsetting Financial Assets and Financial Liabilities — Amendments to AASB 132 (effective from 1 January 2014)

These amendments clarify the meaning of 'currently has a legally enforceable right to set off'. The amendments also clarify the application of the AASB 132 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments are not expected to impact the Company's financial position or performance. However, it may impact the presentation and disclosures in the financial statements.

Notes to the financial statements continued

2.2 Accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

The significant accounting policies have been consistently applied in the current financial year and the comparative period, unless otherwise stated. Where necessary, comparative information has been re-presented to be consistent with current period disclosures.

Fair value of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Financial instruments

(i) Classification

The Company classifies its financial assets and financial liabilities into the categories below in accordance with AASB 9.

Financial assets and liabilities at fair value through profit or loss

The Company has two discrete portfolios of securities, the long-term portfolio and the trading portfolio.

The long-term portfolio relates to holdings of securities which the Directors intend to retain on a long term basis. The long-term portfolio is recognised as a non-current asset in the statement of financial position.

The trading portfolio comprises securities acquired principally for the purpose of generating a profit from short-term fluctuation in price. The trading portfolio is recognised as a current asset in the statement of financial position. All derivatives are classified as held for trading.

Other financial liabilities

This category includes all financial liabilities, other than those classified as at fair value through profit or loss. Other financial liabilities are measured at their nominal amounts. Amounts are generally settled within 30 days of being recognised as other financial liabilities. Given the short-term nature of other financial liabilities, the nominal amount approximates fair value.

Notes to the financial statements continued

2.3 Summary of significant accounting policies continued

a) Financial instruments continued

(ii) Recognition

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

(iii) De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- i. The rights to receive cash flows from the asset have expired; or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- iii. Either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

(iv) Initial measurement

Both the long-term and trading portfolios are classified at initial recognition as financial assets at fair value through profit or loss. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented in the statement of profit or loss.

Dividend income earned on investments held at fair value through profit or loss is recognised in the statement of profit or loss.

Loans and receivables and financial liabilities (other than those classified as at fair value through profit or loss) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

For financial assets and liabilities where the fair value at initial recognition does not equal the transaction price, the Company recognises the difference in the statement of comprehensive income, unless specified otherwise.

Notes to the financial statements continued

2.3 Summary of significant accounting policies continued

a) Financial instruments continued

(v) Subsequent measurement

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss at fair value (see Note 6 below). Subsequent changes in the fair value of those financial instruments are recorded in 'Change in fair value of financial assets and liabilities at fair value through profit or loss'. Interest earned is recorded in 'Interest revenue' according to the terms of the contract. Dividend revenue is recorded in 'Dividend revenue'.

b) Fair value measurement

The Company measures financial assets and liabilities at fair value through profit or loss, such as equity securities and debt instruments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Notes to the financial statements continued

2.3 Summary of significant accounting policies continued

b) Fair value measurement continued

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as 'held at fair value through profit or loss' and excludes interest and dividend income and expenses. Amounts are calculated as the difference between the fair value at sale or at year end, and the fair value at the previous valuation point. This includes both realised and unrealised gains and losses.

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using a discounted cash flow model. The inputs to this model are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as the discount rate including counterparty credit risk. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 6 for further disclosures.

c) Functional and presentation currency

The Company's functional and presentation currency is the Australian Dollar, which is the currency of the primary economic environment in which it operates. The Company's performance is evaluated and its liquidity is managed in Australian Dollars. Therefore, the Australian Dollar is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

d) Interest revenue and expense

Interest earned on financial assets classified as 'at fair value through the profit or loss' is recorded in 'Interest revenue' according to the terms of the contract.

e) Dividend revenue

Dividend revenue is recognised when the Company's right to receive the payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately as tax expense in the Statement of profit and loss.

f) Fees, commissions and other expenses

Except where included in the effective interest calculation (for financial instruments carried at amortised cost), fees and commissions are recognised on an accrual basis. Legal and audit fees are included within 'Legal and professional fees', and are recorded on an accrual basis.

g) Cash, and cash equivalents

Cash and cash equivalents in the Statement of financial position comprise cash on hand, demand deposits, short term deposits in banks with original maturities of three months or less and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Notes to the financial statements continued

2.3 Summary of significant accounting policies continued

h) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

i) Due to and due from brokers

Amounts due to brokers (refer to note 9) are payables for securities purchased (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date. *Refer to the accounting policy for 'other financial liabilities' for recognition and measurement of these amounts.*

Amounts due from brokers include margin accounts and receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date. *Refer to accounting policy for 'loans and receivables' for recognition and measurement of these amounts.*

j) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except:

- i. When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- ii. Receivables and payables are stated with the amount of GST included.

Reduced input tax credits (RITC) recoverable by the Company from the ATO are recognised as a receivable in the Statement of financial position.

Cash flows are included in the Statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Notes to the financial statements continued

3. Total investment income

The major components of investment income in the Statement of comprehensive income are:

	Investment decisions		2014	2013
	Thorney Management Services ¹	Wentworth Investment Committee ²		
	\$	\$	\$	\$
Realised gains (losses)	135,868	(4,734)	131,134	-
Unrealised gains (losses)	14,886	(2,738,945)	(2,724,059)	299,790
Interest income	1,441,450	145,051	1,586,501	495,462
Underwriting fees	156,026	-	156,026	70,694
Dividend income	150	-	150	-
Gross investment income	1,748,380	(2,598,628)	(850,248)	865,946

¹ Thorney Management Services Pty Ltd (Investment Manager) assumed investment management responsibilities from 21 November 2013 pursuant to an Investment Management Agreement approved by shareholders at the 2013 Annual General Meeting.

² The Wentworth Holdings Limited Board *Investment Committee* was disbanded on 21 November 2013.

4. Income tax

The major components of income tax expense in the Statement of comprehensive income are:

	2014	2013
	\$	\$
Loss before income tax expense	2,669,210	258,150
Prima facie tax expense on profit from ordinary activities before income tax expense at 30% (2013: 30%)	(800,763)	(77,445)
Tax benefit not recognised	800,763	77,445
Income tax expense recognised in the Statement of profit or loss	-	-

At 30 June 2014, the Company has estimated unused gross capital tax losses of \$30,714,116 (2013: \$30,714,116) and gross revenue tax losses of \$24,735,036 (2013: \$20,681,966) that are available to offset against future taxable capital and revenue profits, subject to continuing to meet relevant statutory tests.

Notes to the financial statements continued

5. Cash and short-term deposits

	2014 \$	2013 \$
Cash at bank	987,315	5,253
Short-term deposits	52,400,000	11,110,326
Total cash and short-term deposits	53,387,315	11,115,579

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 day and 90 days, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

a) Reconciliation of net loss after tax to net cash provided by operating activities:

	2014 \$	2013 \$
Loss for the year	(2,669,210)	(258,150)
Adjustments for non-cash items:		
Net gain on disposal of investments	(131,134)	-
Unrealised component of change in fair value of investments	2,724,059	(299,790)
Impairment of receivables	-	305,161
Changes in Assets & Liabilities:		
(Increase)/decrease in receivables	(253,082)	125,239
Increase/(decrease) in creditors & accrued expenses	740,387	(95,251)
(Increase) in financial assets	(14,681,827)	(3,060,203)
(Increase)/decrease in other assets	(96,095)	157,624
(Decrease) in provisions	(452)	-
Net cash provided by operating activities	(14,367,354)	(3,125,370)

Notes to the financial statements continued

6. Financial assets

	2014 \$	2013 \$
Financial assets at fair value through profit or loss		
Listed equities ¹	17,064,268	3,359,992
Long term financial assets ²	10,000,000	-
Total financial assets	27,064,268	3,359,992
Total current	17,064,268	3,359,992
Total non-current	10,000,000	-

¹ Measured at fair value using quoted market prices which are deemed a Level 1 input under the Fair Value hierarchy as prescribed in AASB 13 and disclosed in note 2.3 (b).

² Measured at fair value using a discounted cash flow model, calculated with inputs deemed to be Level 3 under the Fair Value hierarchy as prescribed in AASB 13 and disclosed in note 2.3 (b). This model involves the projection of a series of cash flows on an unlisted interest bearing security, and includes the right to 5 million bonus equity options. Key inputs to the discounted cash flow model include the principal value of unlisted interest bearing securities of \$10m, a coupon rate of 9% and a discount rate of 9.32%. Movements in the discount rate would be expected to impact the fair value of the investment.

There were no transfers between levels.

7. Receivables

	2014 \$	2013 \$
Accrued interest	272,907	18,762
GST	-	1,063
Total receivables	272,907	19,825

The carrying value of Receivables approximates Fair Value.

8. Other assets

	2014 \$	2013 \$
Prepayments	112,897	16,802
Total other assets	112,897	16,802

Notes to the financial statements continued

9. Payables (current)

	2014 \$	2013 \$
Management fee payable	611,305	-
Sundry creditors and accruals	92,170	10,202
Trade creditors	75,700	61,110
Outstanding settlements	30,229	-
GST	1,843	-
Total payables	811,247	71,312

Payables are non-interest bearing and unsecured. Outstanding settlements include amounts due to brokers for settlement of security purchases and are settled within 3 days of the transaction. Trade and Sundry creditors are generally paid in accordance with the terms negotiated with each individual creditor. The Management Fee is paid within 60 days of receiving an invoice from the Investment Manager.

The carrying value of Payables approximates Fair Value.

10. Borrowings

	2014 \$	2013 \$
Prime broker	1,615,374	-
Total borrowings	1,615,374	-

On 17 December 2013 the Company executed a Prime Broker Agreement with UBS AG, Australia Branch to provide services including borrowing and lending of securities, settlement of third party transactions and, cash loans. The agreement allows UBS to take a custodial charge over assets lodged with UBS, as security for payments and performance obligations of the Company under the Prime Brokerage Agreement. Interest accrues daily on all cash advances at a rate equivalent to a benchmark rate of interest plus an agreed margin. Amounts drawn are repayable on demand.

The carrying amount of the borrowing has been measured at fair value through profit or loss which is deemed to be a Level 2 input under the Fair Value hierarchy as prescribed in AASB 13 and disclosed in note 2.3 (b).

Notes to the financial statements continued

11. Issued capital

	2014 Number of shares	2013 Number of shares	2014 \$	2013 \$
(a) Ordinary shares				
Balance at 1 July	223,351,239	223,802,639	79,109,240	78,601,558
1:7 Share Consolidation	(191,443,521)	-	-	-
Ordinary shares issued	136,455,543	-	68,229,438	-
Share Buy-Back	-	(451,400)	-	(23,003)
Costs of share issues and buy-back	-	-	(1,560,910)	(315)
Transfer of reserves to share capital	-	-	-	531,000
S258F reduction ¹	-	-	(64,715,000)	-
Total ordinary shares	168,363,261	223,351,239	81,062,768	79,109,240
(b) Options				
Balance at 1 July	-	-	-	-
Options issued	84,143,198	-	-	-
Exercise of options	(55,543)	-	-	-
Transaction costs	-	-	(29,438)	-
Total options	84,087,655	-	(29,438)	-
Total issued and authorised capital	252,450,916	223,351,239	81,033,330	79,109,240

(c) Terms and conditions:

(i) Ordinary shares

Ordinary shares entitle the holder to receive dividends as declared and the proceeds on winding up the Company 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.

(ii) Options

Each eligible shareholder received one option for every 2 ordinary shares held on the Record Date of 15 April 2014. A total of 84,143,198 options were issued by the Company on 22 April 2014. The options are listed on ASX (ASX: TOPO). Options entitle the holder to the right to acquire 1 ordinary share in the Company at a price of 53 cents and are exercisable at any time on or prior to 11:59 pm on 22 April 2015, at which time they will lapse. The options are not entitled to dividends and ordinary shares issued on exercise of the options rank equally with all other ordinary shares from the date of exercise and entitle the holder to receive dividends on or prior to the applicable record date.

¹ The Company reduced its accumulated losses and contributed equity by an equal amount via a S258F Corporations Act 2001 reduction. Refer note 12.

Notes to the financial statements continued

12. Accumulated losses

The balance of accumulated losses at 30 June 2014 included paid up issued capital that had been lost or was not represented by available assets. In accordance with Section 258F of the Corporations Act 2001, the Company reduced its paid up issued capital balance by \$64,715,000 with an equal reduction of the accumulated losses balance.

There is no impact on shareholders from the capital reduction as no shares have been cancelled or rights varied. Similarly, creditors are not affected as there has been no change in available assets. There is also no impact on the availability of the Company's tax losses from this capital reduction.

13. Earnings per share

	2014	2013
Basic and diluted earnings per share (cents)	(2.47)	(0.81)
Earnings used in calculating basic and diluted earnings per share (\$)	(2,669,210)	(258,150)
	2014 Number of Shares	2013 Number of shares
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share ¹	108,104,687	31,908,908

¹ The weighted average number of ordinary shares used in calculating earnings per share has been adjusted for the 1:7 Share Consolidation that occurred on 2 December 2013.

At 30 June 2014 there were 84,087,655 unexercised options. The unexercised options have been excluded from the diluted earnings per share calculation as they are anti-dilutive.

14. Financial reporting by segments

The Company is managed as a whole and is considered to have a single operating segment. There is no further division of the Company or internal segment reporting used by the Directors when making strategic, investment or resource allocation decisions.

The Company's assets are located entirely in Australia or are listed on the Australian Securities Exchange.

15. Auditor's remuneration

	2014 \$	2013 \$
Remuneration of the auditor for:		
Audit and review of financial reports	49,500	50,000

The 2013 auditor was Deloitte who resigned as auditor in November 2013. The appointment of Ernst & Young was approved by shareholders on 21 November 2013.

Notes to the financial statements continued

16. Financial risk management

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to credit risk, liquidity risk and market risk (which includes interest rate risk and equity price risk) arising from the financial instruments it holds.

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Company by failing to discharge an obligation.

The Company is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships, derivatives and other transactions.

The Company has counterparty exposure to Money3 Corporation Limited through its investment in bonds. The bond issuer has undertaken to seek a second-ranking security position for bondholders and is working with the bondholder's trustee, to complete a general security deed and other documentation for the benefit of bondholders. The Investment Manager monitors the counterparty in order to assess its ability to meet its interest and principal obligations.

It is the Company's policy to enter into financial instruments with reputable counterparties. The Investment Manager closely monitors the creditworthiness of the Company's counterparties (e.g. brokers, custodian, banks etc.) by reviewing their credit ratings, financial statements and press releases on a regular basis.

Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected.

The Company invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Company has no borrowings and has a daily policy to monitor and maintain sufficient cash and cash equivalents to meet normal operating requirements.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and equity prices. As the Company is a listed investment company with a flexible investment mandate, the Company will always be subject to market risks as the prices of its investment fluctuates with the market.

The Company's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investments. The Company manages the equity price risk through adherence to its investment policy and objectives.

At the reporting date, the exposure to listed equity securities at fair value was \$17,564,628. A decrease of 10% in share value of securities held could have an impact of approximately \$1,756,463 on the income or equity attributable to the Company, depending on whether the decline is significant or prolonged. An increase in 10% in share value of securities held would have a similar favourable impact on income and equity.

Notes to the financial statements continued

16. Financial risk management continued

Interest risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows. The company is not materially exposed to interest rate risk as the majority of its cash is in short-term deposits with fixed interest rates. The Company's exposure to interest rate relates primarily to cash at bank and borrowings with Prime Broker. Interest rate sensitivities have not been performed as the Company's exposure to interest rate risk is not significant.

17. Dividends

No dividends were paid or declared in the year ended 30 June 2014.

18. Contingent liabilities

The Company has no contingent liabilities as at 30 June 2014.

19. Events subsequent to balance date

On 21 July 2014 the Company received 5 million options in Money3 Corporation Limited [ASX:MNY]. The options have an exercise price of \$1.30, an expiry date of 16 May 2018 and are tradeable [ASX:MNYO].

20. Related party transactions

Transactions relating to matters that occurred prior to the appointment of the Investment Manager

During the year the Company paid consulting fees of \$70,000 (2013:\$10,000) to Eastern Podiatry Clinic Pty. Limited, a company controlled by Vaughan Webber.

During the year the Company paid amounts to Wilson HTM Investment Group, a company in which Hugh Robertson and Vaughan Webber are senior executives, being corporate fees of \$1,162,500, brokerage fees of \$18,689 and a travel expense reimbursement of \$2,656.

Wentworth Holdings Limited Key Management Personnel received the following remuneration amounts:

	2014 \$	2013 \$
Short-term benefits	340,938	328,725
Post-employment benefits	12,564	15,750
Total remuneration	353,502	344,475

Transactions relating to matters that occurred post the appointment of the Investment Manager

During the year the Company entered into an investment management agreement with Thorney Management Services Pty Ltd (TMS), for a period of 10 years and expiring 21 November 2023.

Under this agreement TMS is entitled to a base management fee and a performance fee. For the year ending 30 June 2014 a base fee of \$722,926 (excluding GST) was paid or payable to TMS. The Company must pay TMS within 60 days of receiving an invoice from the manager. No performance fee has been accrued for the year ended 30 June 2014.

Notes to the financial statements continued

20. Related party transactions continued

During the year an expense reimbursement of \$250,000 was made to Thorney Holdings Pty Ltd, a related entity of TMS, pursuant to the Implementation Deed.

Tiga Trading Pty Ltd, a related entity of TMS, employs personnel to provide company secretarial and financial accounts preparation services to Thorney Opportunities Ltd. These services are provided on commercial terms and total \$38,500 inclusive of GST for the financial year 2014 (2013: \$nil).

As part of the co-investment in Service Stream Limited, Thorney International Pty Ltd, a related entity of TMS, reimbursed TOP legal fees incurred of \$6,504, calculated in direct proportion to the capital invested.

TMS, Tiga Trading Pty Ltd, Thorney Holdings Pty Ltd, Thorney International Pty Ltd and Thorney Investment Group Australia Pty Ltd are related bodies corporate controlled by Alex Waislitz by virtue of 608(1) of the Corporations Act (2001).

For the purposes of AASB 101 and 124, the parent and ultimate parent of Thorney Opportunities Ltd is Thorney Investment Group Australia Pty Ltd.

During the year, the Company engaged Arnold Bloch Leibler, a legal firm of which Henry Lanzer is the managing partner, to provide legal advice totalling \$53,848 (2013: \$nil).

In accordance with the terms of Mr Lanzer's appointment, a payment of \$29,167 was paid or payable to Arnold Bloch Leibler as remuneration for his role as a Director of the Company.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company with the Director or with a firm of which he is a member or with a Company in which he has substantial financial interest.

The current Key Management Personnel received the following remuneration amounts:

	2014 \$	2013 \$
Short-term benefits	90,415	-
Post-employment benefits	5,398	-
Total remuneration	95,813	-

21. List of investments

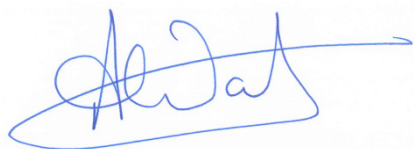
Company	Code	Market Value \$
AMA Group Limited	AMA	5,981,438
Australian Renewable Fuels Limited	ARW	833,069
Money3 Corporation Limited (equity, bond, option)	MNY	11,844,126
Service Stream Limited	SSM	5,962,810
Other listed investments		2,442,825
TOTAL INVESTMENTS		27,064,268

Directors' declaration

In accordance with a resolution of directors of Thorney Opportunities Ltd, I state that:

1. In the opinion of the Directors:
 - (a) the financial statements and notes of Thorney Opportunities Ltd for the financial year ended 30 June 2014 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position as at 30 June 2014 and of its performance for the year ended on that date;
 - (ii) complying with Accounting Standards and the *Corporations Regulations 2001*;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.1; and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2014.

On behalf of the Board,



Alex Waislitz
Chairman

Melbourne, 25 August 2014

To the members of Thorney Opportunities Ltd

Report on the financial report

We have audited the accompanying financial report of Thorney Opportunities Ltd, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the Directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the Directors of the Company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report. We confirm that the Auditor's Independence Declaration would be in the same terms if given to the Directors as at the time of this auditor's report.

Opinion

In our opinion:

- a. the financial report of Thorney Opportunities Ltd is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b. the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.1.

Report on the remuneration report

We have audited the Remuneration Report included in Note 13 of the Directors' report for the year ended 30 June 2014. 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.

Opinion

In our opinion, the Remuneration Report of Thorney Opportunities Ltd for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.



Ernst & Young



Kester Brown
Partner

Melbourne
25 August 2014

Shareholder information

As at 25 August 2014

Voting rights

All ordinary shares carry one vote per share without restriction.

Distribution of shareholders and optionholders

Category	Ordinary shares	Options
1 – 1,000 shares	99,218	179,535
1001 – 5,000 shares	958,763	1,046,397
5001 – 10,000 shares	1,630,944	1,511,918
10,001 – 100,000 shares	27,209,169	17,601,336
100,001 or more shares	138,466,034	63,747,602
Total number of holders	168,364,128	84,086,788
Number of shareholders holding less than a marketable parcel	247	

20 largest shareholders of ordinary shares

Name	Number of Ordinary shares	% of issued capital
THORNEY HOLDINGS PTY LTD	44,095,277	26.19
RUBI HOLDINGS PTY LTD <JOHN RUBINO S/F A/C>	12,100,000	7.19
TIGA TRADING PTY LTD	6,471,578	3.84
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,580,000	3.31
RUBI HOLDINGS PTY LTD <JOHN RUBINO SUPER FUND A/C>	4,749,392	2.82
ACK PROPRIETARY LIMITED <MARKOFF SUPER FUND NO 2 A/C>	3,280,000	1.95
ELPHINSTONE HOLDINGS PTY LTD	3,000,000	1.78
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	2,186,531	1.30
DYNASTY PEAK PTY LTD <THE AVOCA SUPER FUND A/C>	2,028,000	1.21
FRANK COSTA SUPERANNUATION PTY LTD <SHIRLEY COSTA SUPER FUND A/C>	2,000,000	1.19
OBPF NOMINEES PTY LTD <O'BRIEN PENSION FUND A/C>	2,000,000	1.19
RUBENSTEIN CUSTODIAN PTY LTD <J RUBENSTEIN SUPER FUND A/C>	2,000,000	1.19
TAMIT NOMINEES PTY LTD <THE ITESCU FAMILY A/C>	2,000,000	1.19
MR VICTOR JOHN PLUMMER	1,600,000	0.95
MR MALCOLM STEINBERG & MR ADAM GREGORY STEINBERG <M & F STEINBERG S/F A/C>	1,600,000	0.95
MRS NOLA ISABEL CRIDDLE <CRIDDLE INVESTMENT FUND A/C>	1,500,000	0.89
THIRTY-FIFTH CELEBRATION PTY LTD <JC MCBAIN SUPER FUND A/C>	1,460,210	0.87
BLACKCAT HOLDINGS PTY LTD	1,055,000	0.63
PICTON COVE PTY LTD	1,042,858	0.62
AUSTIN SUPERANNUATION PTY LTD <THE BRIAN AUSTIN S/F A/C>	1,037,082	0.62

Substantial shareholders

Name	Number of Ordinary shares	Voting Power %
Thorney Holdings Pty Ltd	50,566,855	30.03
Rubi Holdings Pty Ltd	16,849,392	10.01

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