



TO: COMPANY ANNOUNCEMENTS OFFICE
COMPANY: AUSTRALIAN SECURITIES EXCHANGE LIMITED
FROM: VAN EYK THREE PILLARS LIMITED
DATE: 3 JULY 2009
NO. OF PAGES: 1

Dividend and Buy Back

Dividend

As noted in the lodgement of the van Eyk Three Pillar's (VTP) 31 December 2008 Half Year Report and Accounts, VTP was not in a position to pay an interim dividend. Because VTP is an active investor any unrealised movements in the portfolio are recognised in the profit and loss account and this resulted in negative retained earnings as at the half year.

While the position has improved along with the market recovery, at 30 June 2009 we remain in a position where we are unable to pay a dividend...

Paying dividends above the underlying dividend yield of the share portfolio remains a priority for the Board. It will be possible to pay dividends from any profits which may be generated in the new financial year without a requirement to recover past negative retained earnings. It is therefore hoped, subject to market conditions, that the Board will be in a position to resume dividend payments in accordance with its policy for the December 2009 half year..

Buy back

When the current on market share buy back was announced, the Board noted its ability to buy up to 11.5 million shares. The Board also stated their intention to spend a minimum of 4 cents times the number of shares on issue – representing the equivalent distribution by the company of a half year dividend. To date, approximately 6 million shares have been bought back by the Company at a cost of around \$4.26m, representing an average cost of \$0.71. We consider the on market buy back enhances shareholder value, as the current market price is below the company's net tangible asset backing per share. The current buy back will continue to operate to provide liquidity for those shareholders who need to exit their holding. Purchases made will be spread over a number of months and may result in the full 11.5 million shares being bought back.

If there are insufficient profits to pay a fully franked dividend from profits in the new financial year, the Director's will review the options including extending the existing on-market buyback or implementing an off market equal access buy back.

P. Roberts
Company Secretary