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100 William Street
Sydney NSW Australia 2011
T (61 2) 9358 8600 F (61 2) 9358 5200
Website: www.bironcapital.com.au
E-mail: office@bironcapital.com.au
ABN 58 009 087 469

NOTICE OF ANNUAL GENERAL MEETING

Biron Capital Limited gives notice that the Nineteenth Annual General Meeting of shareholders will be held at The Boulevard Hotel, Level 1, 90 William Street Sydney NSW on Thursday 20th November 2003 at 11.00 am.

BUSINESS

1. Financial report and directors' and audit reports

To receive and consider the financial report, including the directors' declaration for the year ended 30 June 2003 and the related directors' report and audit report.

2. Re-election of a director.

To re-elect by ordinary resolution as a director Mr Geoff Hill; who ceased to hold office in accordance with the Company's Constitution Rule 76.1 and, being eligible, offers himself for re-election.

3. Other business

To consider any other business which may be brought forward in accordance with the Company's constitution and the Corporations Act 2001.

For the purpose of the Corporations Act 2001, the Company has determined that all securities of the Company that are quoted securities at 7.00pm Australian Eastern Standard Time on Tuesday, 18th November 2003 will be taken, for the purpose of the Meeting, to be held by the persons who held them at the time. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

By order of the Board

A handwritten signature in black ink, appearing to read "John de Gouveia", is written over a horizontal line.

John de Gouveia
Company Secretary
Dated 20th October 2003
Sydney

Biron Capital Limited

ABN 58 009 087 469

Proxy Form

All correspondence to:
Computershare Investor Services Pty Limited

South Australia Australia
Enquiries (within Australia) 1300 556 161
(outside Australia) 61 3 9615 5970
Facsimile 61 8 8236 2305
www.computershare.com

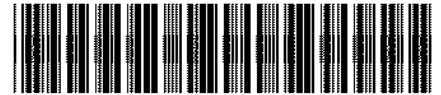
Mark this box with an 'X' if you have made any changes to your address details (see reverse)



000001

MR JOHN SMITH
FLAT 123
123 SAMPLE STREET
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)



BIC

I 1234567890

I ND

Appointment of Proxy

I/We being a member/s of Biron Capital Limited and entitled to attend and vote hereby appoint



the Chairman
of the Meeting
(mark with an 'X')

OR

Write here the name of the person you are appointing if
this person is **someone other than** the Chairman of the
Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Biron Capital Limited to be held at The Boulevard Hotel, Level 1, 90 William Street, Sydney NSW 2000 on 20 November 2003 at 11.00 am and at any adjournment of that meeting.

Voting directions to your proxy - please mark



to indicate your directions

For Against Abstain*

2. To re-elect Mr Geoff Hill as a Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointing a second Proxy

I/We wish to appoint a second proxy



Mark with an 'X' if you
wish to appoint a second
proxy.

AND

 %

OR

State the percentage of your voting rights or the number
of securities for this Proxy Form.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1

Individual/Sole Director and
Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/ /

B I C

1 P R



How to complete the Proxy Form

1 Your Address

This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company.

3 Votes on Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

- (a) indicate that you wish to appoint a second proxy by marking the box.
- (b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (c) return both forms together in the same envelope.

5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 11.00 am on 20 November 2003. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

- by posting, delivery or facsimile to the Registered Office of Biron Capital Limited being
- Westfield Towers
Level 3
100 William Street
SYDNEY NSW 2011
61 2 9358 5200

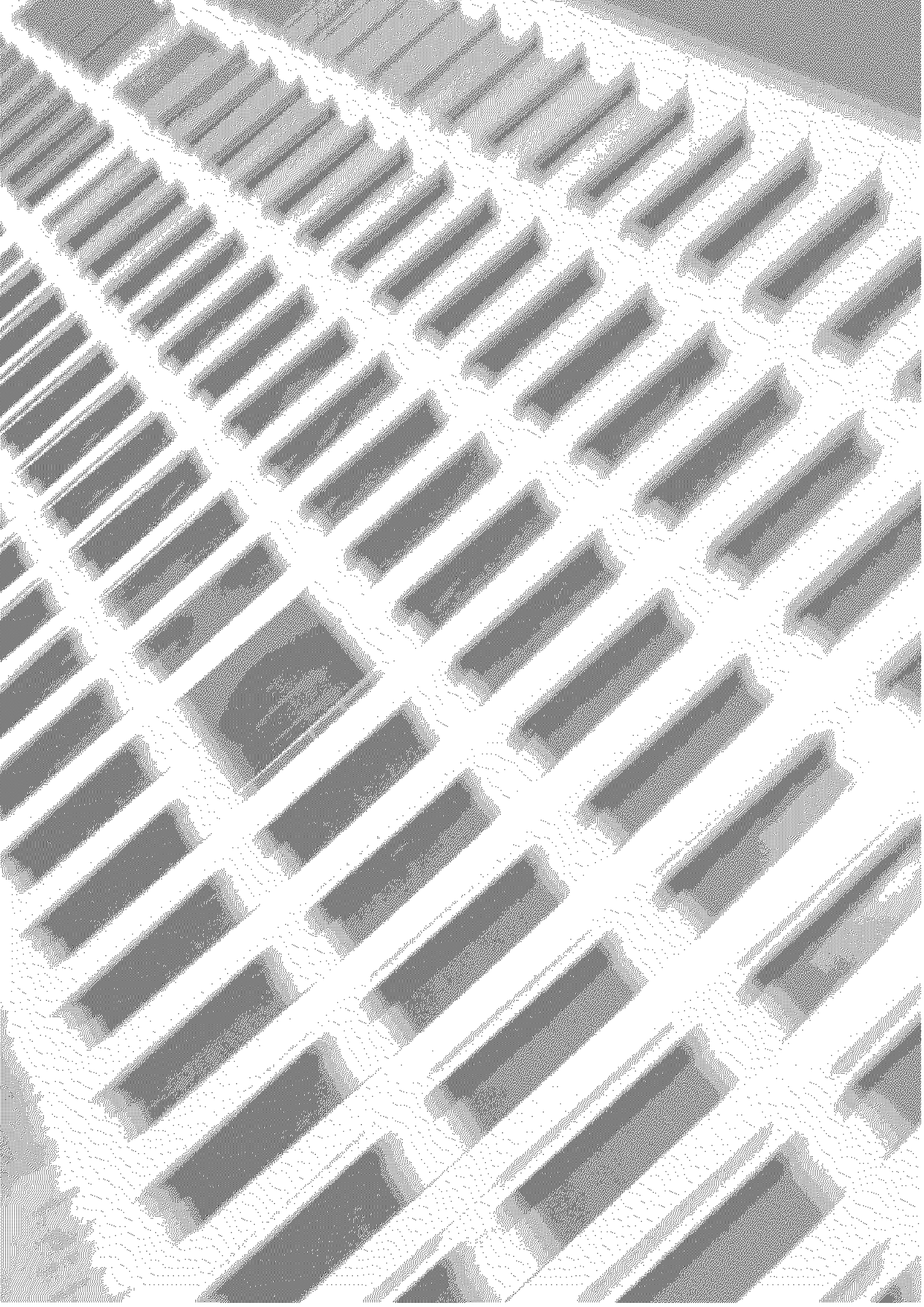
Biron Capital Limited share registry
Computershare Investor Services Pty Limited
GPO Box 1903
Adelaide South Australia 5001
Australia
Facsimile 61 8 8236 2305

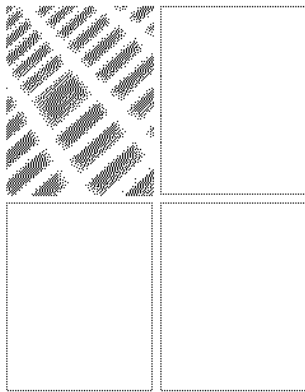
2003 ANNUAL REPORT BIRON CAPITAL LIMITED



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CHAIRMAN'S REPORT

The Company has made continuing progress in the establishment of its property finance business since its beginning in late 2001. The net profit for the financial year to 30 June 2003 has increased by 239% to \$1,385,000 as set out in the attached Financial Statements and the Board has agreed to pay a final dividend of 1.5 cents unfranked cash dividend. The dividends applicable to the operating period will total 3.0 cents per ordinary share.

We believe it is important the Company establishes a scale to its operations and we have forecast the requirement to grow in the first instance to a total loan portfolio in excess of \$26m. A minimum operating level will give us appropriate scale in regards to our fixed costs and give us better diversity of loans, both geographically and by property sectors. As a first step towards achieving those goals, I am pleased to advise that the Company in August 2003 negotiated a loan facility of \$10m, which as a standby credit facility for 2 years, can be drawn down and repaid as required and we believe is on favourable terms to seek the expansion of our loan portfolio. This allows expansion of our loan portfolio to in excess of \$26m. We believe there is adequate scope in the facility to increase the current facility limit if needed in the future.

The property mezzanine financing market has become more competitive in recent times evidenced by new entrants and existing mortgage financiers expanding their mezzanine financing and bridging facilities. We have responded by increasing our marketing and direct contact to mortgage brokers, first mortgage lenders, developers and professional advisers in the property area. In time we believe that this will lead to considerable expansion in opportunities for further lending.

Over the past years the Australian economy has managed to perform well on the back of a strong domestic market and export competitiveness, assisted by monetary and government policy to bolster confidence and keep inflation in check. The Reserve Bank for some time has been considering interest rate levels and it seems likely that these will remain unchanged for the time being, with the next move possibly an increase at some future time. Overall however, Australia's medium term growth prospects remain positive.

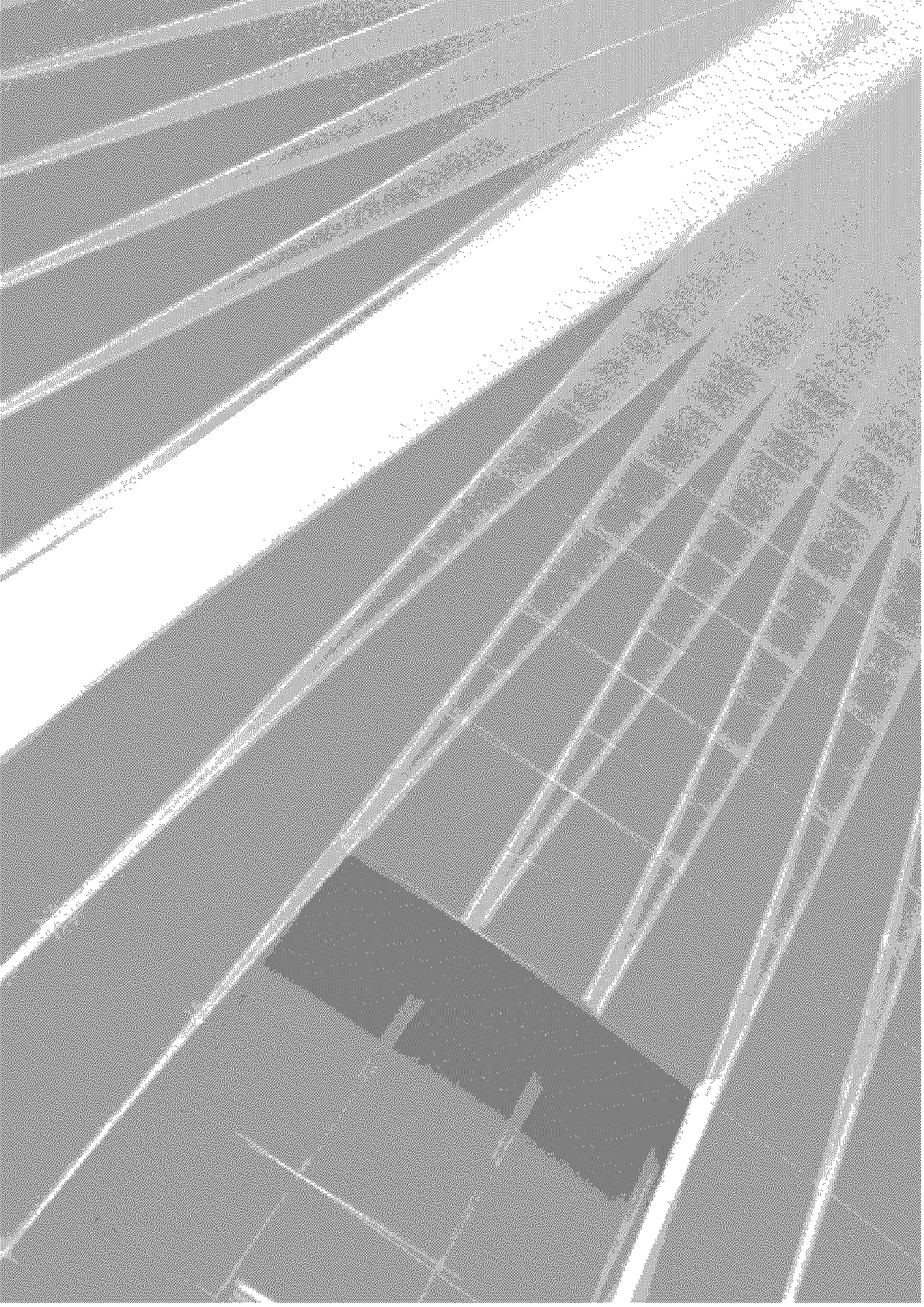
There has been substantial discussion about the property markets in Australia with some speculation that the market is overheated in some areas. Retail, industrial and commercial especially in Sydney has performed well with no substantial oversupply in most of these areas and continuing demand is supported by sound economic growth. Most of the concerns seem to be focused on some areas of the residential market in Sydney and Melbourne, with consideration that inner city apartments, especially those driven by investor demand, could be overpriced. We will be watching these developments with close interest in the future and given the short term nature of most our loan portfolio we will be making adjustments to our credit risk profiles accordingly.

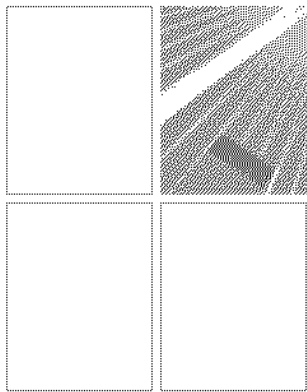
I am appreciative of the strong support that I have received from my fellow Directors in regard to the continuing progress of the Company. All the Company's staff have worked well to achieve the results for the period and we all look forward to the continuing challenges in growing the Company's business both profitably for our shareholders and meeting the needs of our clients.

The Company's Annual General Meeting will be held on Thursday 20 November 2003 at The Boulevard Hotel, Level 1, 90 William Street, Sydney, commencing at 11am. I look forward to seeing as many Shareholders as possible at the Annual General Meeting.

Kind regards,

G R W Snow *Executive Chairman*





REVIEW OF OPERATIONS & ACTIVITIES

Welcome to the Biron Capital Annual Report which for the first time reflects 12 months of trading as a provider of mortgage and secured finance.

1 FINANCIAL HIGHLIGHTS 2002/2003

The major financial highlights for the year ended 30 June 2003 were:

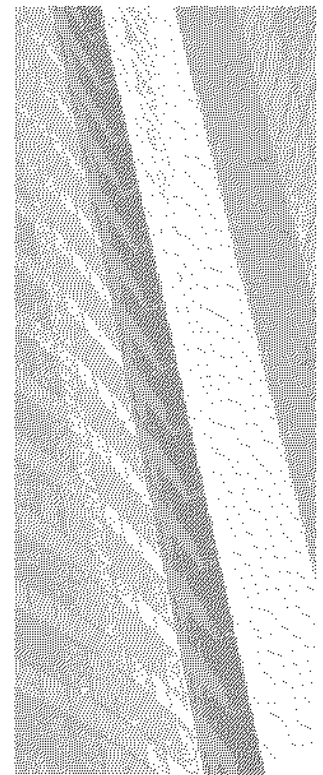
- Net profit attributable to members increased 239% to \$1,385m. The net profit from property financing operations increased 110% on the previous year.
- Earnings per share increased 106% to 3.68 cents. Total dividends paid during the financial year was 2.50 cents per share.
- Dividends per ordinary share applicable to the year increased 200% to 3.00 cents.
- Total loans disbursed for the twelve months to 30 June 2003 was over \$17.4m and in excess of \$17.0m in loans have been repaid.
- From August 2003, Biron's potential loan portfolio has increased by \$10.0m. The Company has successfully negotiated a \$10.0m standby credit facility for 2 years that can be drawn down and repaid as required. The lender has indicated to Biron that the facility could be increased above the current facility limit should it be required.
- At August 2003, the Company has a total loan portfolio capacity in excess of \$26.5m.
- As a reflection of Biron's operations, the Directors have established a general provision coverage ratio commencing at 1.25% of loans outstanding as at 30 June 2003.

2 FINANCIAL PERFORMANCE

In a challenging and highly competitive environment, Biron has continued to deliver strong financial results. The consolidated financial performance for the year is as follows:

	2003 \$000	2002 \$000	% CHANGE
Finance mortgage business*			
Property financing income	2,481	1,341	85%
Investment income	267	170	57%
Expenses from ordinary activities	(1,222)	(850)	44%
General provision for doubtful debts	(141)	-	-
Net profit from continuing operations	1,385	661	110%
Manufacturing business			
Other income	-	3,563	-
Other expenses	-	(3,816)	-
Net loss from discontinued operations	-	(253)	-
Net profit from ordinary activities before income tax	1,385	408	239%
Income tax expense	-	-	-
Net Profit	1,385	408	239%
Earnings Per Share—cents (weighted average number of ordinary shares)	3.68	1.79	106%

* FINANCE MORTGAGE BUSINESS COMMENCED DURING SEPTEMBER 2001



3 BIRON'S STRATEGY

Biron's strategy is to provide investors with the opportunity to gain exposure to a specialised Australian Stock Exchange (ASX) listed property finance company that will deliver to Shareholders a high yield from property linked income streams. Biron has developed a niche of providing mezzanine and bridging type finance to borrowers principally engaged in property development and investment. The Company anticipates an increasing demand from experienced property developers and investors for access to a broader array of debt products that allow them to manage their risk and their capital in a more efficient manner.

Mezzanine product popularity for property investors and developers is explained by their desire to manage existing scarce and expensive equity capital on an optimal basis. The advantages of mezzanine funding are:

- The potential to enhance equity returns;
- Provide greater funding flexibility;
- Additional equity can be costly, inefficient and not suitable or possible for all borrowers;
- Releases funds from essentially an illiquid property asset; and
- Akin to raising capital through the partial sale of an asset without the unnecessary or unpalatable property ownership transfer or sharing constraints.

Funds provided by Biron release liquidity to property investors and developers enabling them to capitalise on opportunities to generate additional income through other, larger or better property investments.

4 OPERATIONS

During the year ended 30 June 2003, Biron advanced over \$17.4m in new loans spread over 11 borrowers. The security offered for the borrowings varied between development, investment or income producing properties.

The loans have been secured by way of registered first or second Mortgages supplemented with fixed and floating charges over the borrower/(s) along with personal guarantees from the borrowers involved in the property transaction.

The secured properties are a mix of residential, industrial and retail, in geographically diverse locations throughout Sydney to avoid concentrated risk.

Details on the loan portfolio for the year ended 30 June 2003 is summarised as follows:

Average loan term for new loans written	7 months
Number of new loans written	11
Value of new loans written	\$17.4m
Median loan amount	\$1.585m
Weighted average loan to value ratio	72.62%

5 MEZZANINE FINANCE & LOAN PERFORMANCE

Biron has positioned itself as a property finance company focusing on providing mezzanine and bridging type finance to borrowers principally engaged in property development, renovation and investment. Biron has aimed to provide a differentiated position in the market by offering clients a service that is independent of traditional financial institutions. Mezzanine and bridging loans are typically higher risk, higher yielding investments than traditional first ranking mortgage loans. Where a loan is secured by a second ranking mortgage, Biron ranks behind the holder of the first ranking security in the event that the mortgage is enforced on in default.

Given the nature of Biron's business, it is reasonable to expect that one or more of the Biron's loan advances may require active management from time to time. Furthermore, given that there are only a small number of loans, it is not unreasonable to expect that one of those loans may represent a significant proportion of the Biron's receivables. As at the year ended 30 June 2003 Biron had two loans which have been classified as past due and are operating outside contractual terms. The total principal involved in these two loans is \$6,825,000 which are covered by second mortgage security over four commercial properties in the Sydney area together with other securities and guarantees. Significant enforcement action is well in progress.

For details on Biron's accounting policies in relation to certain components of its loan portfolio refer to *Note 1(E)(iii)* and *Note 6* of the Notes to the Financial Statements on *page 31* and *35* respectively of the Annual Report.

6 CREDIT RISK MANAGEMENT

Some of the risks associated with mezzanine finance can be anticipated by Biron using safeguards, appropriate systems and implementing certain actions. These mitigating systems have been formalised in procedures supported by documentary controls governing the management of credit risk. The documentary controls cover the management of credit risk and all activities related to the assumption of credit risk, from policy making to credit evaluation and approvals, and through to credit review and monitoring.

Biron has recently appointed a specialist loan management and compliance officer to ensure timely and appropriate action is taken in regard to loan performance.

7 CREDIT STANDBY FACILITY

To enable the expansion of the lending activities, Biron raised additional funding subsequent to the end of the financial year. The finance facility established will provide funding to allow the expansion of Biron's loan portfolio. The nature of the facility compliments the expanding lending operations to be undertaken by Biron. The flexibility of the finance facility in terms of draw-downs and repayments will enable the judicious use of debt in order to assist in the delivery of increased and enhanced returns.

This facility together with cash resources has increased our mortgage portfolio capacity to in excess of \$26.5m.

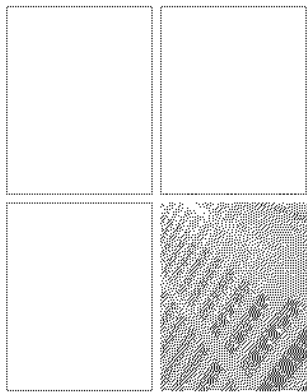
8 FUTURE DEVELOPMENTS

The Directors and Management of Biron aim to maintain regular and growing income returns while maintaining acceptable levels of asset security in the investment. Biron's long-term growth lies in the origination and evaluation of loans and management of the loan portfolio to ensure the loans are repaid upon expiration.

Biron will continue to adopt a dynamic risk based pricing model to facilitate strong competitiveness in the marketplace. This pricing model complements Biron's competitive advantages, securing the platform to enable maximised returns to stakeholders and effective management of the overall quality of the loan portfolio.

To date Biron has provided finance to borrowers secured against properties located solely in the Sydney Metropolitan area. Biron has recently commenced the evaluation of loans secured against properties located in other geographic segments. These segments include regional areas of New South Wales (NSW) and other States of Australia. Biron will continue to seek appropriate opportunities to finance loans secured against properties located outside the Sydney Metropolitan area providing that quality and risk is not compromised.





DIRECTORS' REPORT

The Board of Directors of Biron Capital Limited present their report on the consolidated entity consisting of Biron Capital Limited and the entities it controlled at the end of, or during, the year ended 30 June 2003.

DIRECTORS

The following persons were Directors of Biron Capital Limited during the whole of the financial year and up to the date of this report:

- George R W Snow
- Geoffrey G Hill
- Bruce R Glanville
- H. Gavin Solomon was appointed a Director on 26 August 2002 and continues in office at the date of this report.

PRINCIPAL ACTIVITIES

During the year the principal continuing activities of the consolidated entity consisted of the provision of secured mortgage finance.

DIVIDENDS

Dividends paid to members during the financial year were as follows:

	2003 \$'000	2002 \$'000
Final ordinary dividend for the year ended 30 June 2002 of 1.0 cent (2001---Nil) per fully paid share paid on 8 October 2002	382	-
Interim ordinary dividend of 1.5 cents (2002---Nil) per fully paid share paid on 21 March 2003	573	-
	955	-

In addition to the above dividends, since the end of the financial year the Directors have recommended the payment of a final ordinary dividend of \$573,000 (1.5 cents per fully paid share) to be paid out of retained profits at 30 June 2003.

OPERATING RESULTS

The consolidated net profit after income tax for the financial year was \$1,385,000 (2002: \$408,000).

REVIEW OF OPERATIONS

A review of operations of the consolidated entity is contained in the Chairman's Report on *page 5* and in the Review of Operations and Activities Report on *pages 7 to 9* of the Annual Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the consolidated entity during the financial year were as follows:

	2003 \$/000
An increase in contributed equity of \$4,401,000 from (\$14,875,000 to \$19,276,000) as a result of:	
Non-Renounceable Rights issue of 12,734,659 fully paid ordinary shares at \$0.35 each	4,457
Less: Transaction costs arising on Non-Renounceable Rights issue	(56)
Net increase in share capital	4,401

Other than the Non-Renounceable Rights issue, there has been no other significant changes in the state of affairs during the year ended 30 June 2003.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Since 30 June 2003, the Company has commenced action for the realisation of security to loans categorised as past due at 30 June 2003.

During August 2003, the Company entered into an agreement to attain a \$10.0m standby credit facility. The facility is secured by a fixed and floating charge over the assets of the Company.

Except for the new standby facility, no further matter, item, transaction nor event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report that, in the opinion of the Directors, has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

FUTURE DEVELOPMENTS

Details of the likely major developments in the operations of the consolidated entity in future years and the expected results of those operations are referred to in the Review of Operations and Activities Report on pages 7 to 9 of the Annual Report.

ENVIRONMENTAL REGULATION

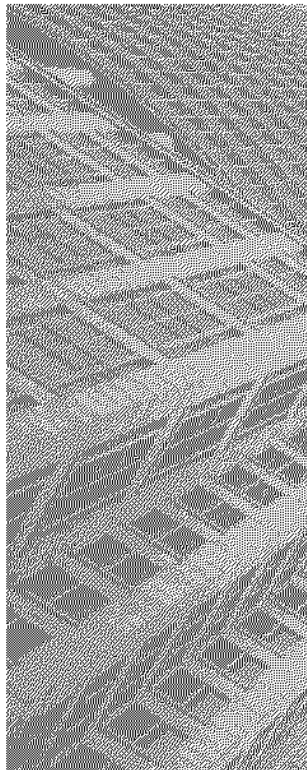
The operations of the consolidated entity are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

INFORMATION ON DIRECTORS

Details of Directors of the Company in office at the date of this report, and each Director's qualifications, experience and special responsibilities are below:

Mr. George R W Snow B. ECON, FAICD
Executive Chairman

Appointed to the Board of Directors on 31 January 1995 and has extensive experience in commercial property investment. His experience includes site identification, planning, property management, leasing and investment analysis. Mr Snow was the joint founding Managing Director of the Capital Property Trust that was listed on the ASX and grew from approximately \$15m to in excess of \$500m. Mr Snow is a member of the audit committee.



Mr Geoffrey G Hill B. ECON, MBA, FCPA, ASIA, FAICD
Independent Non-Executive Director

Appointed to the Board of Directors on 24 July 2001 in anticipation of Biron's change of business direction to property finance. Mr Hill commenced a career in merchant banking at Development Finance Corporation Limited in 1968 in corporate advisory and the mergers and acquisitions area. He has participated in funds management at board and management level since 1973 and has been a member of the Securities Institute since 1969. Mr Hill brings considerable commercial experience to the Board of Directors, especially in Corporate Finance and Investment Management. Mr Hill is a member of the audit committee.

Mr Bruce R Glanville FCA
Independent Non-Executive Director

Appointed to the Board of Directors on 8 February 2002 and is a principal of the firm of Chartered Accountants, Rolins, based in Canberra. He has 36 years experience in the accounting profession. In his professional career he has been directly involved in providing financial, management, planning and taxation advice to a large range of clients, including major public and private companies, as well as small and medium sized businesses, including experience in public sector accounting and advisory roles. He has an extensive range of practical and commercial experience relating to commercial practice and property investments and holds significant skills in undertaking valuations of businesses, shares in companies and joint ventures. Mr Glanville is Chairman of the audit committee.

Mr H. Gavin Solomon B. COM, LLB, M.A.I.C.D
Independent Non-Executive Director

Appointed to the Board of Directors on 26 August 2002. Mr Solomon is a Senior Consultant with Gadens Lawyers and has been a practicing lawyer for some 23 years, much of it as a principal of his own successful Sydney firm, Solomon Garland Partners. He has extensive professional and personal involvement in commercial property development, investment and project financing. He has considerable experience in business evaluation, risk assessment and sourcing and raising equity and debt for property and business transactions. Mr Solomon is a member of the audit committee.

INFORMATION ON MANAGEMENT

Mr Cosmas Raco B. COM, MBA, FCPA
General Manager

Appointed in April 2002, Mr Raco has over 20 years experience in property and finance, with the 8 years prior to joining Biron holding the position of Executive Director of the management company responsible for the property and finance operations of a listed property trust. With specific experience in property, finance management, property investment, development and construction, Mr Raco's management expertise spans numerous property sectors including commercial, retail, industrial, hotel and residential properties. He joins Biron with experience in the management of public entities, listed property trusts, property syndicates and capital raising projects to acquire and develop properties along with expanding the entity's equity base via public offerings. Mr Raco is a holder of a current licence as a Real Estate Agent.

Mr David F Cuda B. COM, CA
Financial Controller

Appointed in October 2002 and is responsible for all aspects of Biron's financial management, treasury, administration and I.T. Mr Cuda is a Chartered Accountant working for many years with PricewaterhouseCoopers and KPMG in their audit and taxation divisions specialising in banking and finance. Prior to joining Biron, he was the Financial Controller for a property funds management group responsible for the financial management of 8 syndicated property trusts and their responsible management entities.

DIRECTORS' INTEREST IN THE SHARES & OPTIONS

As at the date of this report, the relevant interests of the Directors in the shares and other equity securities of the Company were:

	HELD DIRECTLY		HELD BY COMPANIES IN WHICH DIRECTORS HAVE SOME BENEFICIAL INTEREST	
	SHARES	OPTIONS	SHARES	OPTIONS
G R W Snow	30,000	10,000	12,854,095	3,934,273
G G Hill	-	-	1,000,000	230,272
B R Glanville	347,000	260,000	193,000	50,000
H G Solomon	-	-	212,875	623,625

MEETING OF DIRECTORS

The numbers of meetings of the Company's board of Directors and of the audit committee held during the year ended 30 June 2003 and the numbers of meetings attended by each Director were:

	FULL MEETINGS OF DIRECTORS		MEETINGS OF AUDIT COMMITTEE	
	A	B	A	B
G R W Snow	14	15	4	4
G G Hill	14	15	4	4
B R Glanville	15	15	4	4
H G Solomon	10	11	1	2

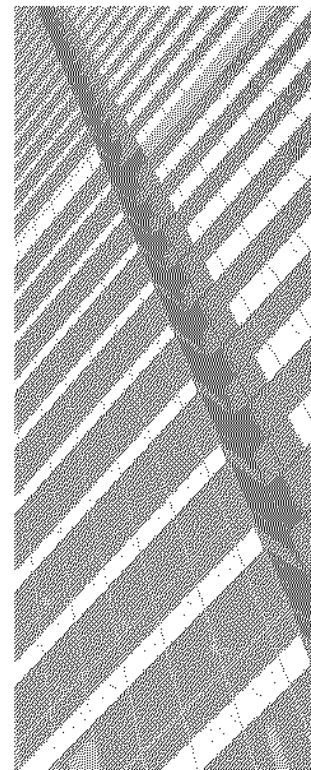
A = NUMBER OF MEETINGS ATTENDED

B = NUMBER OF MEETINGS HELD DURING THE TIME THE DIRECTOR HELD OFFICE OR WAS A MEMBER OF THE COMMITTEE DURING THE YEAR

DIRECTORS' & EXECUTIVES' EMOLUMENTS

The Board as a whole is responsible for reviewing the compensation arrangements for the Senior Executives and Non-Executive Directors. The Board is also responsible for reviewing management incentive schemes, share option schemes, superannuation, retirement and termination entitlements, professional indemnity and liability insurance policies. The remuneration policies are designed to align Executives' remuneration with the interests of Shareholders. Executive remuneration and other terms of employment are reviewed annually by the Board, having regard to performance against goals set and relevant comparative information.

The fees paid to Non-Executive Members of the Board are based on a number of considerations. These include: the level of fees paid to board members of other similar Australian corporations, the size and complexity of the Company's operations, the strategic achievements of the Company and the responsibilities and work load requirements of the Board members. The focus of the Board is on the long-term strategic direction of the Company and in consequence there is no direct link between Non-Executive Director remuneration and the short-term results of the Company.



The following table shows details of the nature and amount of the emoluments of each Director of Biron Capital Limited and each of the Executive Officers of the Company and the consolidated entity during the year-ended 30 June 2003:

	DIRECTORS FEES \$	SALARY PACKAGE/ CONSULT- ANCY FEES \$	SUPER- ANNUATION \$	OTHER BENEFITS \$	TOTAL \$
Executive Directors					
G R W Snow	60,000	40,000	5,400	7,817	113,217
Non-Executive Directors					
G G Hill	37,037	–	3,333	–	40,370
B R Glanville	37,037	–	3,333	–	40,370
H G Solomon (from August 2002)	31,462	–	2,831	–	34,293
Other Executives					
C Raco— <i>General Manager</i>		200,833	18,075	7,637	226,545
D F Cuda— <i>Financial Controller</i> (from October 2002)		67,513	5,904	–	73,417

'Other Executives' are officers who are involved in, concerned in, or who take part in, the management of the affairs of Biron Capital Limited and/or related bodies corporate.

SHARE OPTIONS GRANTED TO DIRECTORS & THE MOST HIGHLY REMUNERATED OFFICERS

Options over unissued ordinary shares of Biron Capital Limited granted during or since the end of the financial year to any of the Directors or Executive officers of the Company and consolidated entity as part of their remuneration were as follows:

Other Executives of Biron Capital Limited	Options Granted
Cosmas Raco— <i>General Manager</i>	800,000

The options were granted under the Executive Service Agreement between Biron Capital Limited and Cosmas Raco dated 22 July 2003.

SHARES UNDER OPTION

Unissued ordinary shares of Biron Capital Limited under option at the date of this report are as follows:

	DATE GRANTED	NUMBER	EXERCISE PRICE	EXPIRY DATE
Primary Options—Rights Issue	12 July 2002	10,015,161	40 cents	31 May 2004
Primary Options—Rights Issue allotment of shortfall	5 August 2002	2,719,498	40 cents	31 May 2004
Executive Service Agreement— Cosmas Raco— <i>General Manager</i>	22 July 2003	400,000	50 cents	31 Dec 2005
	22 July 2003	400,000	50 cents	31 Dec 2008
		13,534,659		

No option holder has any right under these options to participate in any other share issue of the Company.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No ordinary shares have been issued on the exercise of options during the financial year or up to the date of this report.

INSURANCE OF OFFICERS

During the financial year, the Company paid Directors and officers insurance premium of \$22,178 to insure the Directors, Company Secretary and Executive Officers of the Company and its Australian-based controlled entities.

The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the consolidated entity, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

PROCEEDINGS ON BEHALF OF THE COMPANY

There are no proceedings brought or intervened in, or applications to bring or intervene in proceedings, on behalf of the Company by a member or other person entitled to do so under section 237 of the *Corporations Act 2001*.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

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

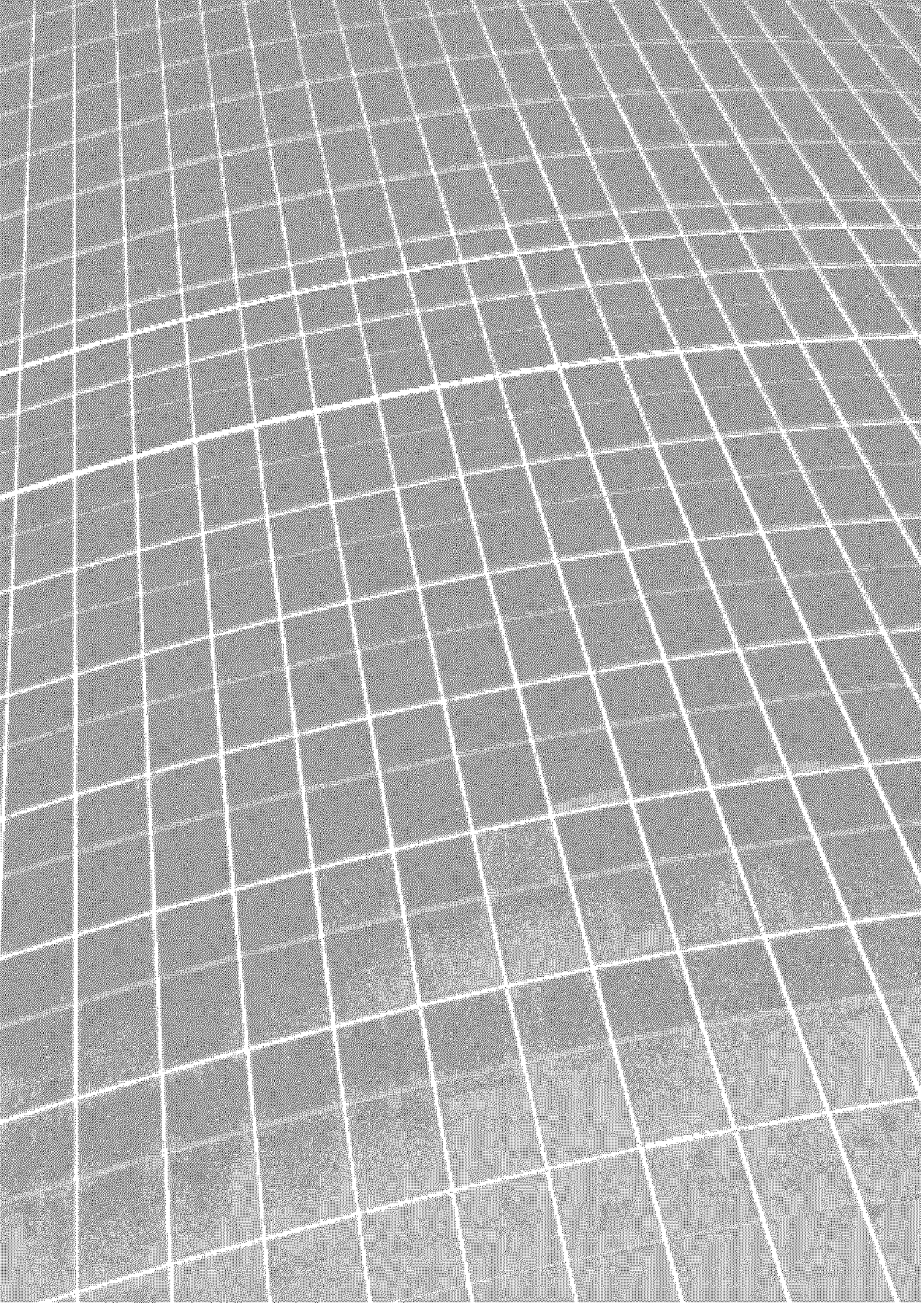


G R W Snow

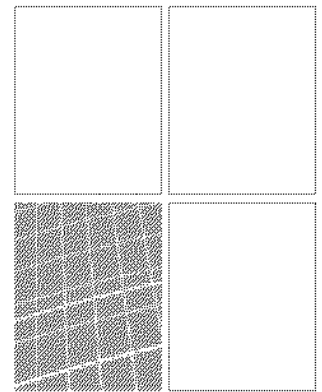
Executive Chairman

Sydney, NSW Australia

28 August, 2003



CORPORATE GOVERNANCE STATEMENT



The Directors are responsible for protecting the rights and interests of the Shareholders through the implementation of strategies based on the best information available to the Directors at the relevant time, action plans and the development of an integrated framework of controls over the consolidated entity's resources, functions and assets. The Company's main corporate governance practices in place during the financial year are summarised below:

The Board of Directors

The Board comprises both Executive and Non-Executive Directors with a majority being Non-Executive Directors. The Chairman is an Executive Director.

The full Board is responsible for establishing criteria for Board membership, reviewing Board membership and nominating Directors. Board membership is reviewed from time to time to ensure the Board has an appropriate mix of qualifications, skills and experience. Candidates are appointed by the Board and must stand for election at the next general meeting of Shareholders.

The terms and conditions of appointment and retirement of Directors are set out in a letter of appointment that includes:

- the term of the appointment; and
- the determination of remuneration.

Independent professional advice

In fulfilling their duties and responsibilities, the Directors may obtain independent professional advice at the Company's expense.

Audit Committee

As at the date of this report, the Company's Audit Committee under the chairmanship of B R Glanville comprises of all Directors. This committee's responsibilities include oversight that:

- the system of control which management has established effectively safeguards the assets of the consolidated entity;
- accounting records are properly maintained in accordance with statutory requirements;
- financial information provided to Shareholders and the Board is accurate and reliable; and
- external audit functions are effective.

Risk assessment & management

Biron's business activities are considered to be high risk and accordingly the Board regularly monitors the operational and financial performance of the Company and consolidated entity against budget and other key performance measures. The Board also reviews areas of operational and financial risks.

Continuous disclosure

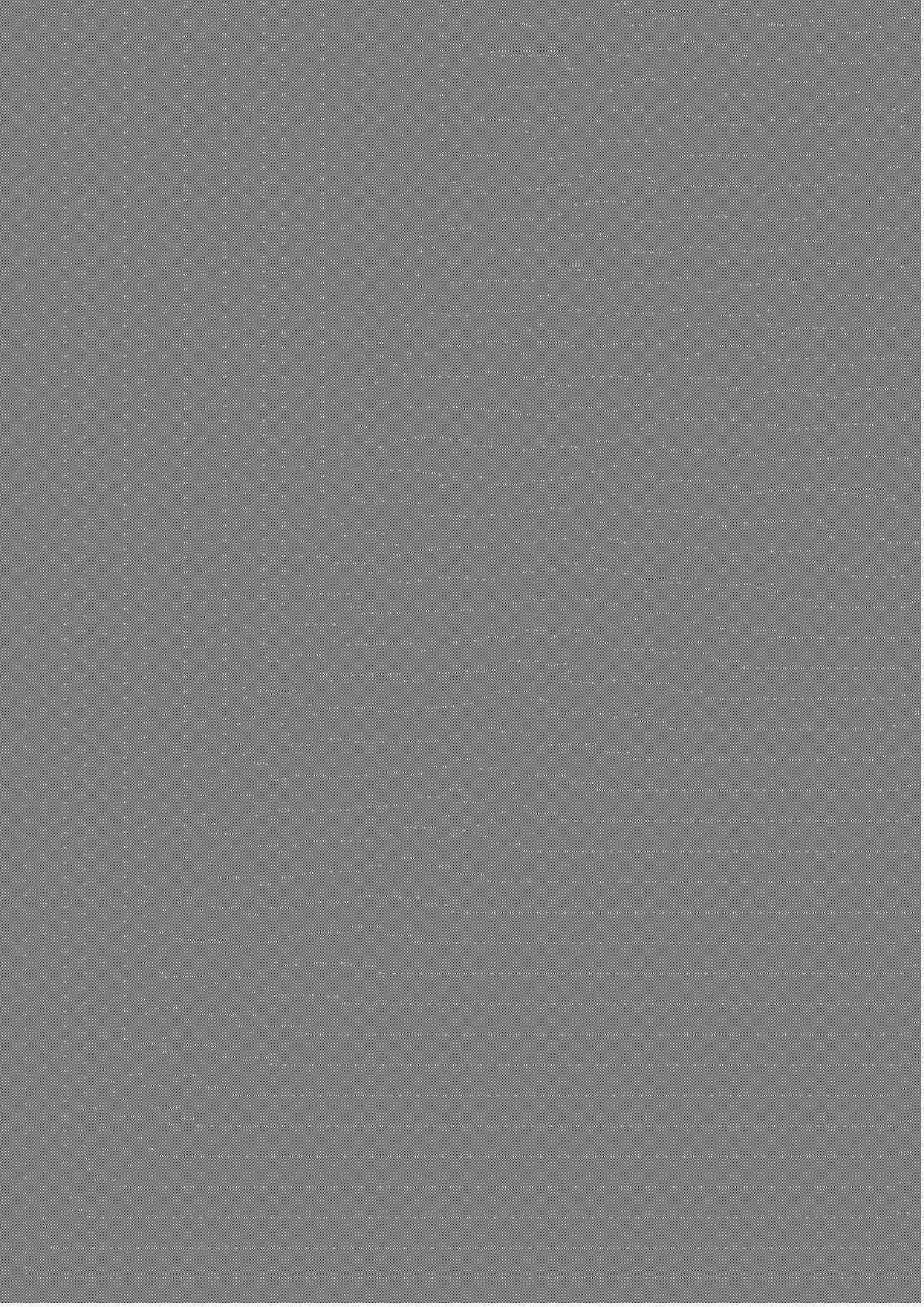
The Company Secretary has been appointed as the person responsible for communications with ASX. This person is also responsible for ensuring compliance with the continuous disclosure requirements in the ASX listing rules and overseeing and co-ordinating information disclosure to the ASX analysts, brokers, Shareholders, the media and the public.

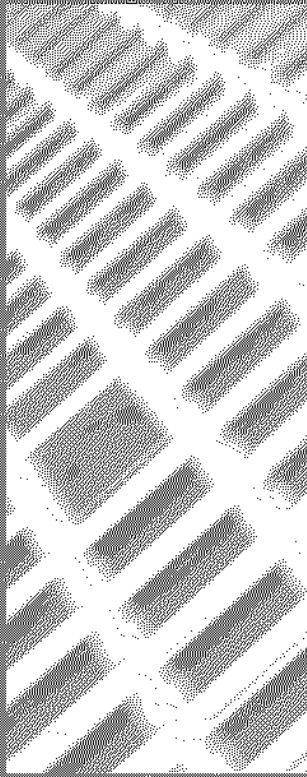
The Directors abide by Listing Rule 3.1 on information disclosure that focus on continuous disclosure of any information concerning the Company and its controlled entities that a reasonable person would expect to have a material effect on the price of the Company's securities.

ASX corporate governance council

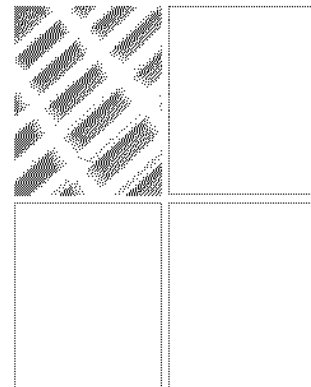
The Board will review and assess the application of the principles of Good Corporate Governance as issued by the ASX Corporate Governance Council in its paper titled 'Principles of Good Corporate Governance and Best Practice Recommendations' issued in March 2003, and determine its practical application to a Company the size of Biron Capital Limited.

It is the Directors present intention to implement appropriate Best Practice Recommendations in a commercial and cost effective basis applicable to the nature of its activities and provide the required disclosure pursuant to listing rule 4.10.3, in its Annual Report for the year ending 30 June 2004.





FINANCIAL REPORT



PricewaterhouseCoopers
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Facsimile +61 2 8266 9999

Independent audit report to the members of Biron Capital Limited

In our opinion, the financial report of Biron Capital Limited:

- gives a true and fair view, as required by the *Corporations Act 2001* in Australia, of the financial position of Biron Capital Limited and the Biron Capital Group (defined below) as at 30 June 2003, and of their performance for the year ended on that date, and
- is presented in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, and the *Corporations Regulations 2001*.

This opinion must be read in conjunction with the rest of our audit report.

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for both Biron Capital Limited (the company) and the Biron Capital Group (the consolidated entity), for the year ended 30 June 2003. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

When this audit report is included in an Annual Report, our procedures include reading the other information in the Annual Report to determine whether it contains any material inconsistencies with the financial report.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

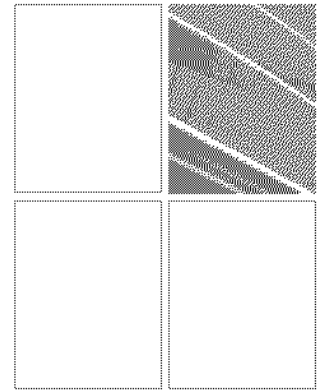


PricewaterhouseCoopers



P K Merrett
Partner

Sydney
28 August 2003



DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on *pages 25 to 45*:

- (A) comply with the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (B) give a true and fair view of the Company's and consolidated entity's financial position as at 30 June 2003 and of their performance, as represented by the results of their operations and their cash flows, for the financial year ended on that date.

In the Directors' opinion:

- (A) the financial statements and notes are in accordance with the *Corporations Act 2001*; and
- (B) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

G R W Snow
Executive Chairman
Sydney, NSW Australia
28 August, 2003



STATEMENTS OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2003

	NOTES	CONSOLIDATED		COMPANY	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Property finance and associated revenue		2,481	1,341	2,481	1,341
Revenue from sale of goods (former business)		-	357	-	-
Revenue from outside operating activities	2	267	3,376	217	2,230
Total revenue		2,748	5,074	2,698	3,571
Expenses from ordinary activities					
Property finance	3	(1,201)	(850)	(1,202)	(850)
Charge to provide for bad and doubtful debts		(141)	-	(141)	-
Borrowing costs expense		-	-	-	(338)
Cost of Sales (former business)		-	(304)	-	-
Depreciation		(21)	(142)	(21)	(117)
Manufacturing (former business)	3	-	(652)	-	(240)
Decrease in the provision for diminution in intercompany amounts		-	-	37	616
Other	3	-	(2,718)	-	(2,140)
Total expenses		(1,363)	(4,866)	(1,327)	(3,069)
Profit from ordinary activities before income tax expense		1,385	408	1,371	502
Income tax expense	4	-	-	-	-
Net profit from ordinary activities after income tax expense attributable to members	17(B)	1,385	408	1,371	502
		CENTS	CENTS		
Basic earnings per share		3.68	1.79		
Diluted earnings per share		3.68	1.79		

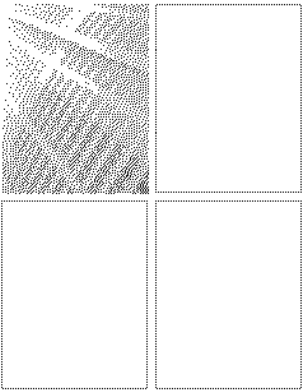
THE ABOVE STATEMENTS OF FINANCIAL PERFORMANCE SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2003

	NOTES	CONSOLIDATED		COMPANY	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Current assets					
Cash	5	4,796	808	4,796	808
Loans	6	11,154	10,915	11,154	10,915
Investments	8	778	778	-	-
Other assets	9	76	49	70	43
Total current assets		16,804	12,550	16,020	11,786
Non-current assets					
Receivables	10	23	23	23	23
Property, plant and equipment	12	166	32	166	32
Total non-current assets		189	55	189	55
Total assets		16,993	12,605	16,209	11,821
Current liabilities					
Payables	13	109	130	110	130
Unearned income		139	571	139	571
Provisions	14	16	6	16	6
Total current liabilities		264	707	265	707
Non-current liabilities					
Non-interest bearing liabilities	15	-	-	3,017	3,004
Total non-current liabilities		-	-	3,017	3,004
Total liabilities		264	707	3,282	3,711
Net assets		16,729	11,898	12,927	8,110
Equity					
Contributed equity	16	19,276	14,875	19,276	14,875
Reserves	17(A)	-	544	-	544
Accumulated losses	17(B)	(2,547)	(3,521)	(6,349)	(7,309)
Total equity		16,729	11,898	12,927	8,110

THE ABOVE STATEMENTS OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2003

	NOTES	CONSOLIDATED		COMPANY	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash flows from operating activities					
Property finance and associated receipts		2,055	1,904	2,055	1,904
Receipts from customers		-	906	-	-
Payments to suppliers and employees		(1,217)	(1,536)	(1,217)	(1,001)
Interest received—investments		267	211	267	-
Other revenue		-	40	-	10
Borrowing costs		(28)	-	(28)	-
Net cash inflow from operating activities	29	1,077	1,525	1,077	913
Cash flows from investing activities					
Loans disbursed to other entities		(17,439)	(10,914)	(17,439)	(10,914)
Loans repaid by other entities		17,059	-	17,059	-
Payments for other receivables		-	(23)	-	(23)
Payments for property, plant and equipment		(155)	(46)	(155)	(46)
Proceeds from sale of property, plant and equipment		-	2,223	-	2,220
Proceeds from the sale of investments		-	960	-	-
Loans from related parties		-	-	-	7,292
Net cash outflow from investing activities		(535)	(7,800)	(535)	(1,471)
Cash flows from financing activities					
Payment for share buy back		-	(24)	-	(24)
Proceeds from issues of shares		4,457	1,483	4,457	1,483
Share issue transaction costs		(56)	(93)	(56)	(93)
Dividends paid		(955)	-	(955)	-
Net cash inflow from financing activities		3,446	1,366	3,446	1,366
Net increase/(decrease) in cash held		3,988	(4,909)	3,988	808
Cash at the beginning of the financial year		808	5,728	808	-
Effects of exchange rate changes on cash		-	(11)	-	-
Cash at the end of the financial year	5	4,796	808	4,796	808

THE ABOVE STATEMENTS OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES





NOTES TO THE FINANCIAL STATEMENTS

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This general purpose financial report has been prepared in accordance with Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views and the *Corporations Act 2001*.

It is prepared in accordance with historical cost convention, using the accounting policies described below. Unless otherwise stated, the accounting policies adopted are consistent with those of the previous year.

(A) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Biron Capital Limited ('Company') as at 30 June 2003 and the results of all controlled entities for the year then ended. Biron Capital Limited and its controlled entities together are referred to in this financial report as the consolidated entity.

The effects of all transactions between entities in the consolidated entity are eliminated in full. Where control of an entity either began or ceased during the financial year, its results are included in the consolidated statements of financial performance only from the date when control commenced or up to the date when control ceased.

(B) Income tax

Tax effect accounting procedures are followed whereby the income tax expense in the statement of financial performance is matched with the accounting profit after allowing for permanent differences. The future tax benefit relating to tax losses is not carried forward as an asset unless the benefit is virtually certain of realisation. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.

TAX CONSOLIDATION LEGISLATION

Biron Capital Limited and its wholly-owned Australian controlled entities adopted the tax consolidation legislation as of 1 July 2002. The Australian Taxation Office will be notified of this decision upon the lodgement of the consolidated 30 June 2003 Income Tax Return. As a consequence, Biron Capital Limited, as the head entity in the tax consolidated group, recognises current and deferred tax amounts relating to transactions, events and balances of the controlled entities in this group as if those transactions, events and balances were its own, in addition to the current and deferred tax amounts arising in relation to its own transactions, events and balances.

(C) Revenue recognition

(I) INTEREST INCOME

Interest income is reflected in the statement of financial performance when earned on an accrual basis.

(II) ARRANGEMENT & PLACEMENT FEES

In respect of the accounting treatment of arrangement and placement fees, the financial statements adopt the International Accounting Standard (IAS 18). The adoption of IAS 18 is not mandatory under Australian Accounting Standards and compliance regulations. However in the absence of Australian guidance, this is considered best practice. Although, revenue from arrangement and placement fee is paid on the commencement of the loan, revenue for accounting purposes is deferred and recognised over the term of the loan.

(III) EXIT FEES

Exit fees are payable on the discharge of the loan facility and are reflected in the statement of financial performance upon receipt.

(IV) PAST DUE LOANS

Where interest is contractually in arrears and enforcement action has commenced against the borrower, the loan is classified as past due. When a loan is classified as past due or impaired, interest income ceases to be recognised in the statement of financial performance on an accruals basis and is recognised as income upon receipt.

(D) Unearned income

Unearned income in relation to loans has been calculated so that revenue earned is amortised over the term of the loan.

(E) Loans & advances

Loans are carried at recoverable amounts represented by gross value of the outstanding balance adjusted for provisions for doubtful debts.

(I) BAD & DOUBTFUL DEBTS

Change in accounting policy for the provision of bad and doubtful debts

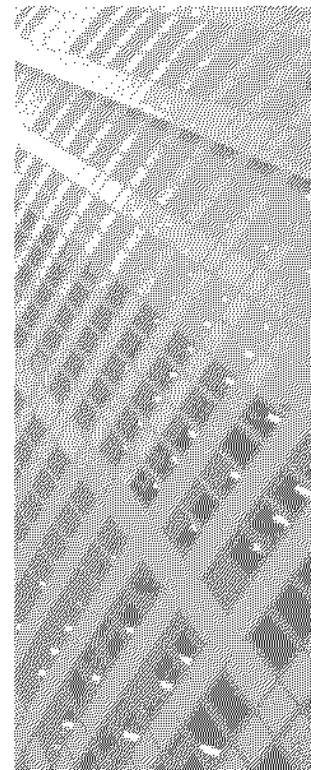
The change in policy for providing for bad and doubtful debts was adopted with effect from 1 July 2002. The previous policy was to provide for possible losses on the basis of amounts set aside to cover specific debts that are considered doubtful. The new policy was adopted to provide more accurate information on the recoverable amount of loans and advances.

The total charge to provide for bad and doubtful debts for the year ended 30 June 2003 against loans outstanding is \$141,000. Loans and advances are carried at their recoverable amount, representing the gross value of the outstanding balance adjusted for provisions for doubtful debts.

To best meet this requirement, Biron Capital Limited maintains both general and specific provision against doubtful debts. The general provision for doubtful debts represents management's best estimates of non-identifiable probable losses and latent risks inherent in the overall portfolio of loans, based on current exposures.

In determining the level of general provision the economic loss evaluation process is subject to a series of estimates and judgements. Reference is made to the probability of default, overall risk profile of loan portfolio, economic conditions, historical experience, level/quality of collateral held, industry best practice and credit risk management policies.

The specific provision for doubtful debts is established to cover all identified doubtful debts and is recognised when there is reasonable doubt over the collectability of principal in



accordance with loan agreements. Upon identification of a loan requiring a specific provision (that is an impaired loan), the respective loan's general provision balance is transferred to the specific provision.

The general provision for doubtful debts is re-established based on the remaining portfolios credit exposures. Recoverability of each loan takes into account the quality of security, financial assessment of the guarantor and other applicable factors. Any bad debts are written off against the specific provision for doubtful debts in the reporting period in which they are classified as irrecoverable.

(II) LOAN QUALITY

The Company maintains differing policies and disclosures for certain components of its loan portfolio. For loans within the portfolio operating outside of contractual terms, the Company classifies the loans as either past due or impaired according to the following classifications:

Past due loans consist of:

- loans which are contractually out of term in relation to payment of principal or interest;
- enforcement action commenced;
- security sufficient to cover repayment of principal; and
- no specific provision raised against the loans as the Directors consider that the security cover is adequate to cover these advances and that all of these loans will be repaid in full.

Impaired loans consist of loans categorised as past due but in respect of which the Directors are of the opinion that security held is insufficient to cover repayment of principal.

For revenue recognition purposes, when loans are classified as past due or impaired, interest income ceases to be recognised in the statement of financial performance on an accruals basis.

(F) Investments

Interests in listed and unlisted securities, other than controlled entities in the consolidated financial statements, are brought to account at original cost less any necessary provision for diminution in value. Interest income on investments is recognised in the statement of financial performance when earned on an accruals basis. Consolidated entities are accounted for in consolidated financial statements as set out in *Note 1(A)*.

(G) Recoverable amount of non-current assets

The carrying amounts of all non-current assets are reviewed at least annually to determine whether they exceed their recoverable amount. Where the carrying amount of a non-current asset is greater than its recoverable amount, the asset is written down to its recoverable amount. The decrement in the carrying amount is recognised as an expense in the statement of financial performance in the reporting period in which the recoverable amount write-down occurs.

The recoverable amounts of all non-current assets have been determined using net cash flows, which have not been discounted to their present values.

(H) Depreciation of property, plant & equipment

Depreciation is calculated on a straight line basis to write off the net cost or revalued amount of each item of plant and equipment over its expected useful life to the consolidated entity. Estimates of remaining useful lives are made on a regular basis for all assets. The expected useful lives are as follows:

Plant and Equipment	3–15 years
Office Furniture	5–20 years

(I) Acquisition of assets

The purchase method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

(J) Trade & other creditors

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(K) Employee entitlements

(I) WAGES, SALARIES & ANNUAL LEAVE

Liabilities for wages, salaries and annual leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(II) LONG SERVICE LEAVE

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (I) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

(III) EMPLOYEE BENEFIT ON-COSTS

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

(L) Borrowing costs

Interest costs are recognised as expenses in the period to which they relate. Ancillary borrowing costs incurred in connection with the arrangement of borrowings are amortised over the term of the loan.

(M) Dividends

Provision is made for the amount of any dividend declared, determined or publicly recommended by the Directors on or before the end of the financial year but not distributed at balance date.

(N) Cash

For purposes of the statement of cashflows, cash includes deposits at call with financial institutions and other highly liquid investments with short periods to maturity which are readily convertible to cash on hand and are subject to an insignificant risk of change in value, net of outstanding bank overdrafts.

(O) Earnings per share

(I) BASIC EARNINGS PER SHARE

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued, if any, during the year.

(II) DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the amounts used in the determination of basic earnings per share by taking into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(P) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(Q) Rounding of amounts

The Company is of a kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

2 REVENUE

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Revenue from outside the operating activities				
Interest---investments	267	170	217	-
Gross proceeds from sale of:				
Investments	-	960	-	-
Plant and equipment	-	2,223	-	2,220
Other revenue	-	23	-	10
Total revenue from outside operating activities	267	3,376	217	2,230

3 PROFIT FROM ORDINARY ACTIVITIES

Net gains and expenses

Profit from ordinary activities before income tax income expense includes the following specific net gains and expenses:

Net gains

Net gains on disposal investments	-	395	-	-
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Expenses

Net loss on disposal of plant and equipment	-	355	-	344
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Property Finance

Staff expenses	570	334	570	334
Consulting fees	80	117	80	117
Professional & legal fees	158	96	159	96
Marketing and promotion	82	34	82	34
Rent	113	33	113	33
Other	198	236	198	236

Total property finance

	1,201	850	1,202	850
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Manufacturing (former business)

Salaries/Director fees	-	284	-	-
Change of business expenses	-	216	-	-
Bad debts written off	-	43	-	-
Other	-	109	-	240

Total manufacturing

	-	652	-	240
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Other

Cost of sales---shares and plant and equipment	-	3,142	-	2,575
Movement in provisions	-	(435)	-	(435)
Foreign exchange loss	-	11	-	-

Total other	-	2,718	-	2,140
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4 INCOME TAX

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
The income tax expense for the financial year differs from the amount calculated on the profit. The differences are reconciled as follows:				
Profit from ordinary activities before income tax expense	1,385	408	1,371	502
Income tax calculated at 30% (2002:30%)	415	122	411	151
Tax effect of permanent differences:				
Capital loss on sale of property, plant & equipment	-	107	-	107
Equity raising costs	(9)	-	(9)	-
Capital profit on sale of investments	-	(118)	-	-
Other non deductible items	2	2	2	2
Income tax adjusted for permanent differences	408	113	404	260
Benefit of tax losses of prior year recouped	(408)	(113)	(404)	(260)
Aggregate income tax expense	-	-	-	-
Tax losses not brought to account				
The Directors estimate that the potential future income tax benefit at 30 June 2003 in respect of tax losses not brought to account is:	1,021	1,566	1,021	694

The future income tax benefit not brought to account is calculated using the appropriate tax rates.

The benefit of the value of tax losses will only be obtained if:

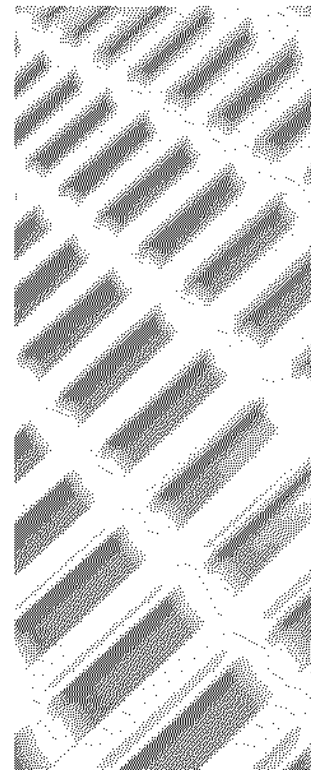
- (A) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; and
- (B) the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and
- (C) no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deductions for the losses.

5 CASH

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Cash at bank and on hand	137	117	137	117
Deposits at call	4,659	691	4,659	691
Total cash	4,796	808	4,796	808

Deposits at call

Deposits at call are at floating interest rates between 4.70% and 4.75%.



6 LOANS (CURRENT)

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Secured property loans	11,295	10,915	11,295	10,915
Less: provision for doubtful debts	(141)	-	(141)	-
Total net loans	11,154	10,915	11,154	10,915

Property loans are secured by second mortgages against real property assets together with other appropriate securities.

Past due loans

Included in loans and advances at 30 June 2003 is an amount of \$6,825,000 representing past due loans. Past due loans consist of:

- loans which are contractually out of term in relation to payment of principal or interest;
- enforcement action commenced;
- security sufficient to cover repayment of principal; and
- no specific provision raised against the loans as the Directors consider that the security cover is adequate to cover these advances and that all of these loans will be repaid in full.

The value of income not brought to account as at 30 June 2003 in relation to past due loans excluding default and other fees was \$401,625.

7 PROVISIONS FOR BAD & DOUBTFUL DEBTS

General provision for doubtful debts	141	-	141	-
Specific provision for doubtful debts	-	-	-	-
Total provisions for doubtful debts	141	-	141	-

Reconciliation of movements in bad & doubtful debts

General Provision

Carrying amount at 1 July 2002	-	-	-	-
Charge to statement of financial performance	141	-	141	-
Carrying amount at 30 June 2003	141	-	141	-

8 INVESTMENTS (CURRENT)

Listed Securities

Income securities—at cost	778	778	-	-
Total listed investments	778	778	-	-

Income securities are issued by National Australia Bank and earn an interest rate of 6%p.a as at 30 June 2003.

9 OTHER ASSETS (CURRENT)

Other debtors	36	13	30	7
Prepayments	40	36	40	36
Amounts owing by controlled entities	-	-	915	952
Less: provision for diminution	-	-	(915)	(952)
Total other assets	76	49	70	43

Amounts owing by controlled entities have been reclassified from non-current to current assets as at 30 June 2003.

10 RECEIVABLES (NON-CURRENT)

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Other receivables	23	23	23	23
Total receivables	23	23	23	23

11 INVESTMENTS (NON-CURRENT)

Unlisted Securities				
Shares in controlled entities at cost	-	-	2,471	2,471
Less: provision for diminution	-	-	(2,471)	(2,471)
Total investments	-	-	-	-

12 PROPERTY, PLANT & EQUIPMENT (NON-CURRENT)

Office equipment—at cost	51	14	51	14
Less: Accumulated depreciation	(13)	(2)	(13)	(2)
	38	12	38	12
Furniture and fittings—at cost	140	22	140	22
Less: Accumulated depreciation	(12)	(2)	(12)	(2)
	128	20	128	20
Total property, plant and equipment at written down value	166	32	166	32

Reconciliations

Reconciliations of the carrying amounts of each class of plant and equipment at the beginning and end of the current financial year are set out below.

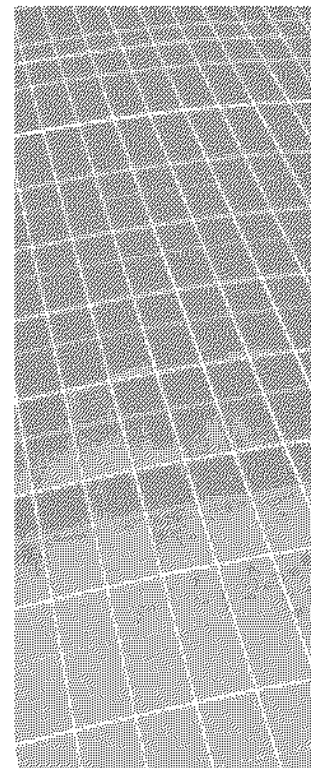
CONSOLIDATED & PARENT ENTITY	OFFICE EQUIPMENT \$'000	FURNITURE & FITTINGS \$'000	TOTAL \$'000
Carrying amount at 1 July 2002	12	20	32
Additions	37	118	155
Depreciation expense	(11)	(10)	(21)
Carrying amount at 30 June 2003	38	128	166

13 PAYABLES (CURRENT)

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Trade creditors	32	66	33	66
Other creditors	77	64	77	64
Total payables	109	130	110	130

14 PROVISIONS (CURRENT)

Employee benefits (Note 18)	16	6	16	6
Total provisions	16	6	16	6



15 NON-INTEREST BEARING LIABILITIES (NON-CURRENT)

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Amounts owing to controlled entity	-	-	3,017	3,004
Total non-interest bearing liabilities	-	-	3,017	3,004

16 CONTRIBUTED EQUITY

Issued and paid up capital	19,276	14,875	19,276	14,875
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Movements in Ordinary Share Capital

Balance at the beginning of the year	14,875	13,509	14,875	13,509
Share issues:				
— Rights issue (A)	4,457	-	4,457	-
— Employee option plan issues	-	254	-	254
— Private placement	-	1,229	-	1,229
Share buy backs	-	(24)	-	(24)
Less: Transaction costs on share issues	(56)	(93)	(56)	(93)
Balance at 30 June 2003	19,276	14,875	19,276	14,875

The number of issued shares shown above incorporates the following movements during the year:

	CONSOLIDATED & COMPANY	
	2003 NUMBER	2002 NUMBER
Issued capital at beginning of year	25,469,147	21,291,190
Rights issue (A)	12,734,659	-
Employee option plan issues	-	920,000
Private placement	-	3,322,060
Less: Buy back of shares	-	(64,103)
Balance at 30 June 2003	38,203,806	25,469,147

(A) During the financial year the Company completed a non-renounceable rights issue of 1 new share, with attaching option, for every 2 shares at \$0.35 per new share. The additional number of shares issued was 12,734,659. The capital raised was used by Biron Capital Limited to extend the mortgage finance loan portfolio.

Options

Options on issue as at 30 June 2003 were as follows:

	EXPIRY DATE	EXERCISE PRICE	NUMBER
Options at 1 July 2002			220,000
Add: Options issued—rights issue	31 May 2004	40 cents	12,734,659
Less: Employee options lapsed			(220,000)
Options at 30 June 2003			12,734,659

17 RESERVES & ACCUMULATED LOSSES

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
(A) Reserves				
Capital Profits Reserve	-	544	-	544
	-	544	-	544
Movements				
Capital Profits Reserve:				
Balance 1 July 2002	544	544	544	544
Transfers to accumulated losses	(544)	-	(544)	-
Balance 30 June 2003	-	544	-	544
(B) Accumulated losses				
Accumulated losses at the beginning of the financial year	(3,521)	(3,929)	(7,309)	(7,811)
Net profit attributable to members of the Company	1,385	408	1,371	502
Transfers from reserves	544	-	544	-
Dividends paid	(955)	-	(955)	-
Accumulated losses at the end of the financial year	(2,547)	(3,521)	(6,349)	(7,309)

18 EMPLOYEE BENEFITS

Employee entitlement liabilities				
Provision for employee entitlements:				
Current (Note 14)	16	6	16	6
Aggregate employee entitlement liabilities	16	6	16	6

	NUMBER		NUMBER	
Employee numbers				
Average number of employees during the financial year	4	4	4	4

19 DIVIDENDS

	PARENT ENTITY	
	2003 \$'000	2002 \$'000
Ordinary Shares		
Final ordinary unfranked dividend for the year ended 30 June 2002 of 1 cent (2001—Nil) per fully paid share paid on 8 October 2002	382	-
Interim ordinary unfranked dividend of 1.5 cents (2002—Nil) per fully paid share paid on 21 March 2003	573	-
	955	-
Dividends not recognised at year end		
In addition to the above dividends, since year end the Directors have recommended the payment of a final dividend of 1.5 cents per share, unfranked. The aggregate amount of the proposed dividend to be paid on 10 October 2003 out of retained profits at 30 June 2003, but not recognised as a liability at year end is	573	382

20 CONTINGENT LIABILITIES

Biron Capital Limited has undertaken to provide financial support to all of its controlled entities, to enable them to pay their obligations as and when they fall due.

21 INVESTMENTS IN CONTROLLED ENTITIES

The following were controlled entities at 30 June 2003, and have been included in the financial statements. The financial years of all controlled entities are the same as that of the parent entity.

Particulars relating to controlled entities:

CONTROLLED ENTITY/COUNTRY OF INCORPORATION	ENTITY HOLDING THE INVESTMENT	PERCENTAGE OF SHARES	
		2003 %	2002 %
ACN 009 030 326 Limited (formerly BIL Limited) Australia	Biron Capital Limited	100	100
Biron Investments Limited (formerly Interbac Industries Limited) Australia	Biron Capital Limited	100	100
Biron International Company Limited Thailand *	Biron Capital Limited	-	100

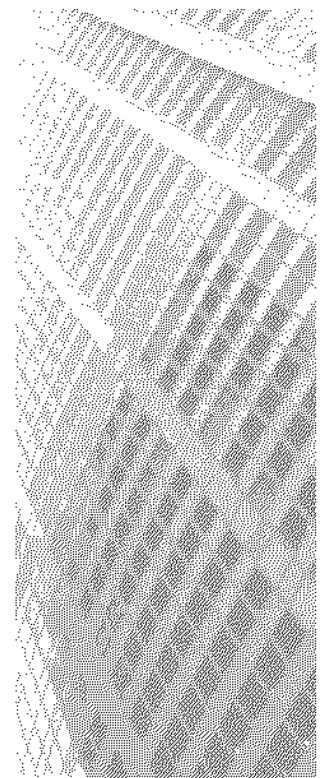
* THE COMPANY WAS DEREGISTERED DURING THE FINANCIAL YEAR

22 REMUNERATION OF DIRECTORS & EXECUTIVES

	2003 \$	2002 \$
Remuneration of Directors		
Income paid or payable, or otherwise made available, to Directors by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities	228,250	514,747

The number of parent entity Directors whose total income from the parent entity or related parties was within the specified bands are as follows:

\$0-\$9,999	-	2
\$10,000-\$19,999	-	1
\$30,000-\$39,999	1	1
\$40,000-\$49,999	2	-
\$110,000-\$119,999	1	-
\$120,000-\$129,999	-	2
\$180,000-\$189,999	-	1



	2003 \$	2002 \$
Remuneration of Executives		
Remuneration received, or due and receivable, from entities in the consolidated entity and related parties by Executive officers (including Directors) whose remuneration was at least \$100,000	339,762	436,812

All Executive officers in the consolidated entity are Executives of the parent entity and not of other entities in the consolidated entity.

The number of Executive officers (including Directors) whose remuneration from the parent entity was within the specified bands are as follows:

	2003 \$	2002 \$
\$110,000-\$119,999	1	-
\$120,000-\$129,999	-	2
\$180,000-\$189,999	-	1
\$220,000-\$229,999	1	-

No retirement benefits have been paid on behalf of Directors and Executive officers.

23 REMUNERATION OF AUDITORS

	CONSOLIDATED		COMPANY	
	2003 \$	2002 \$	2003 \$	2002 \$
Remuneration for audit or review of the financial reports of the entity or any entity in the consolidated entity	39,380	49,250	39,380	36,200
	39,380	49,250	39,380	36,200
Remuneration for other services by the Auditors of parent entity	34,840	10,568	34,840	10,568
	34,840	10,568	34,840	10,568

24 EVENTS OCCURRING AFTER BALANCE DATE

Since 30 June 2003, the Company has commenced action for the realisation of security to loans categorised as past due at 30 June 2003.

During August 2003, the Company entered into an agreement to attain a \$10.0m standby credit facility. The facility is secured by a fixed and floating charge over the assets of the Company.

Except for the new standby facility, there has not arisen any item, transaction or event of a material or unusual nature likely in the opinion of the directors of Biron Capital Limited, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in subsequent financial years.

25 RELATED PARTY DISCLOSURES

DIRECTORS & DIRECTOR RELATED ENTITIES

Directors

The names of persons who were Directors of Biron Capital Limited at any time during the financial year are as follows:

- George R W Snow
- Geoffrey G Hill
- Bruce R Glanville
- H. Gavin Solomon (appointed 26 August 2002)

Remuneration & retirement benefits

Information on remuneration of Directors is disclosed in Note 22. There were no retirement benefits for the financial year.

Loans to Directors & Director-related entities

There were no loans to Directors or Director-related entities during the financial year.

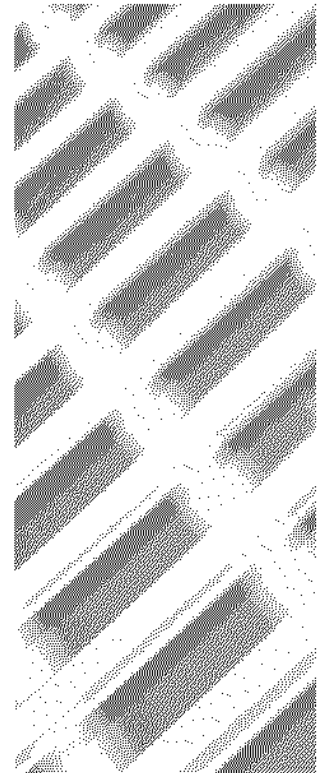
Transactions of Directors & Director related entities concerning shares or share options

Aggregate number of shares and share options of Biron Capital Limited acquired or disposed of by Directors of the Company and consolidated entity or their Director-related entities from the Company:

	PARENT ENTITY & CONSOLIDATED	
	2003 NUMBER	2002 NUMBER
Acquisitions		
Ordinary shares	5,893,853	1,936,543
Options over ordinary shares	5,202,170	-
Disposals		
Ordinary shares	-	(189,301)

Aggregate numbers of shares and share options of Biron Capital Limited held directly, indirectly or beneficially by Directors of the Company or the consolidated entity or their Director-related entities at balance date:

Ordinary shares	14,918,970	8,873,387
Options over ordinary shares	5,202,170	-



Other transactions with Directors & Director related entities

- (A) Mr. G G Hill is a Director of Corporate & Administrative Services Pty Limited (CAS) which supplies company secretarial services to Biron on normal commercial terms.
- (B) Biron has entered into agreements to provide office accommodation within its William Street premises and other office facilities to Rolins—Chartered Accountants and Dampier Investments Pty Limited on normal commercial terms. Rolins and Dampier are companies associated with B R Glanville and G R Snow respectively. Both Rolins and Dampier pay a rental calculated in proportion to the area occupied to the total leasable area at a rate determined by the Lessor and have agreed to reimburse Biron for the cost of consumables associated with the their use of the office.

Aggregate amounts of each of the above types of other transactions with Directors and their Director related entities:

	Consolidated		Company	
	2003 \$	2002 \$	2003 \$	2002 \$
Consulting fees paid (A)	39,600	33,000	39,600	33,000
Rental income—Sub lease of office (B)	16,041	--	16,041	--

No amounts were payable to Directors of entities in the consolidated entity and their Director related entities at balance date.

Wholly-owned group

The wholly-owned group consists of Biron Capital Limited and its wholly-owned controlled entities, ACN 009 030 326 Limited and Biron Investments Limited. Ownership interests in these controlled entities are set out in *Note 21*.

Transactions between the Company and other entities in the wholly-owned group during the years ending 30 June 2002 and 2003 consisted of the following:

- Advances and repayments on intercompany accounts
- Interest charged on the intercompany loan balances
- Sale of fixed assets within the group

During the year ended 30 June 2002, fixed assets were sold at net realisable value. Otherwise the above transactions were made on normal commercial terms and conditions. There are no fixed terms for the repayment of principal on advances between the wholly-owned group.

During the year ended 30 June 2003, no interest was charged between the wholly-owned group on intercompany loan balances (2002:12%).

Aggregate amounts included in the determination of operating profit/(loss) before income tax that resulted from transactions with entities in the wholly-owned group:

	COMPANY	
	2003 \$'000	2002 \$'000
Decrease in the provision for diminution in intercompany accounts	37	616
Interest paid	--	338
Aggregate amounts payable to entities in the wholly owned group at balance date:		
Non current liabilities	(3,017)	(3,004)

Controlling entities

The ultimate parent entity in the wholly owned group is Biron Capital Limited.

Ownership interests in related parties

Ownership interests in the controlled entities are disclosed in Note 21.

26 EARNINGS PER SHARE

	2003	2002
Basic earnings per share (cents per share)	3.68	1.79
Weighted average number of ordinary shares used in calculation of basic earnings per share	37,641,205	22,779,332
Diluted earnings per share (cents per share)	3.68	1.79
Weighted average number of ordinary shares used in calculation of diluted earnings per share	37,641,205	22,999,332

27 SEGMENT INFORMATION

The consolidated entity operates predominantly in the property finance industry operating in the Sydney market.

28 ADDITIONAL FINANCIAL INSTRUMENTS DISCLOSURE

(A) Credit risks exposures

The credit risk on financial assets of the consolidated entity which have been recognised on the Statement of Financial Position, other than investments in income securities, is generally the carrying amount, net of any provisions for doubtful debts.

The Group has a credit risk in respect of its loans receivable.

	2003	2002
	\$'000	\$'000
Loans receivable	11,295	10,915

(B) Interest rate risk exposures

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

30 JUNE 2003	NOTES	FIXED INTEREST MATURING IN		NON INTEREST BEARING	
		1 YEAR OR LESS \$'000	1 TO 5 YEARS \$'000	\$'000	TOTAL \$'000
Assets					
Cash and deposits	5	4,795	-	1	4,796
Loans	6	11,295	-	-	11,295
Income securities	8	778	-	-	778
Total Financial Assets		16,868	-	1	16,869
Weighted average interest rate		16.29%	-		
Liabilities					
Trade and other creditors	13	-	-	84	84
Total Financial Liabilities		-	-	84	84
Weighted average interest rate		-	-		
Net Financial Assets		16,868	-	(83)	16,785

30 JUNE 2002	NOTES	FIXED INTEREST MATURING IN		NON INTEREST BEARING	
		1 YEAR OR LESS \$'000	1 TO 5 YEARS \$'000	\$'000	TOTAL \$'000
Assets					
Cash and deposits	5	807	-	1	808
Other debtors	9	-	-	7	7
Loans	6	10,915	-	-	10,915
Income securities	8	778	-	-	778
Total Financial Assets		12,500	-	8	12,508
Weighted average interest rate		15.5%	-		
Liabilities					
Trade and other creditors	13	-	-	105	105
Total Financial Liabilities		-	-	105	105
Weighted average interest rate		-	-		
Net Financial Assets		12,500	-	(97)	12,403

(C) Net fair value of financial assets & liabilities

On-Balance Sheet

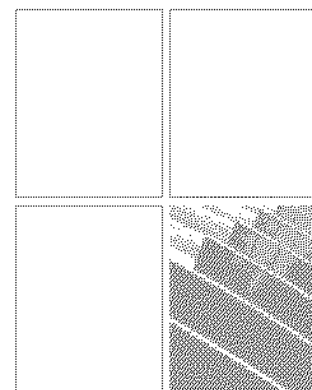
The net fair value of cash and cash equivalents and non-interest bearing monetary financial assets (excluding investments) and financial liabilities of the consolidated entity approximates their carrying value.

In the case of the investments, the difference between the fair value and the carrying value at 30 June 2003 is a profit of \$25,297 (2002: \$Nil)—refer Note 8.

29 RECONCILIATION OF OPERATING PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	CONSOLIDATED		COMPANY	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Operating profit after income tax	1,385	408	1,371	502
Provision for doubtful debts	141	-	141	-
Depreciation	21	147	21	145
Loss on sale of investments	-	(395)	-	-
Gain/(loss) on sale of fixed assets	-	355	-	344
Provision for diminution in intercompany accounts	-	-	(37)	(615)
Provision for asset write down	-	(435)	-	(435)
Interest incurred and accrued on intercompany loans	-	-	-	338
Changes in operating assets and liabilities				
(Increase)/decrease in trade debtors & other receivables	-	542	-	(7)
(Increase)/decrease in interest receivable	-	(23)	-	-
(Increase)/decrease in intercompany receivables	-	-	37	-
(Increase)/decrease in prepayments and other assets	(27)	110	(27)	(36)
(Increase)/decrease in inventories	-	293	-	-
(Decrease)/increase in trade creditors & other creditors	(21)	(12)	(20)	105
(Decrease)/increase in provisions for employee entitlements	10	(36)	10	1
(Decrease)/increase in intercompany payable	-	-	13	-
(Decrease)/increase in unearned income	(432)	571	(432)	571
Net cash inflow/(outflow) from operating activities	1,077	1,525	1,077	913

SHAREHOLDER INFORMATION



The shareholder information set out below was applicable as at 9 September 2003.

(A) Substantial Shareholders

Substantial holders in the Company's quoted equity securities are set out below:

NAME	NUMBER OF ORDINARY SHARES	% OF SHARE- HOLDING	NUMBER OF OPTIONS	% OF HOLDING
Dampier Investment Group PTY LTD	12,884,095	33.72%	3,944,273	30.97%
Noble Investments PTY LTD Superannuation Fund	5,724,699	14.98%	-	-
Point Road PTY LTD	-	-	812,470	6.38%

(B) Distribution of Equity Securities

SIZE OF HOLDING	ORDINARY SHARES		OPTIONS		
	NUMBER SHARE- HOLDERS	SHARES HELD	NUMBER OPTION HOLDERS	OPTIONS HELD	
1--1,000	(A)	162	88,640	71	33,908
1,001-5,000	(A)	446	1,145,049	65	202,902
5,001-10,000		191	1,581,146	13	101,682
10,001-100,000		226	7,256,279	54	2,591,290
100,001 and over		43	28,132,692	23	9,804,877
		1,068	38,203,806	226	12,734,659

(A) OF WHICH 225 HOLD LESS THAN A MARKETABLE PARCEL

(C) Twenty Largest Quoted Equity Security Holders

(I) Ordinary Shares

The 20 largest ordinary shareholders held shares equivalent to 66.81% of the total ordinary shares on issue:

RANK	NAME OF SHAREHOLDER	NO. OF SHARES	%
1	Dampier Investment Group PTY LTD	11,515,779	30.14
2	Noble Investments PTY LTD Superannuation Fund	3,371,449	8.82
3	Leadenhall Australia Limited	1,874,410	4.91
4	Tempest PTY LTD	1,338,316	3.50
5	Point Road PTY LTD	1,000,000	2.62
6	Mr John Paton Mitchell	744,634	1.95
7	Strickland Finance Co PTY LTD	717,959	1.88
8	HFT Nominees PTY LTD	700,000	1.83
9	Wightholme Nominees PTY LTD	500,000	1.31
10	Chi Investments PTY LTD	478,840	1.25
11	Capital Property Corp Pty Ltd	472,255	1.24
12	JRS Investments Pty Ltd	410,000	1.07
13	Mr Bruce Robert Glanville	347,000	0.91

RANK	NAME OF SHAREHOLDER	NO. OF SHARES	%
14	Snapco PTY LTD	343,640	0.90
15	Mr Mark Campbell Lillingston	303,000	0.79
16	Galnom No 1 PTY LTD	300,000	0.79
17	Republic Securities LTD	300,000	0.79
18	Wenola PTY LTD	275,000	0.72
19	Beirne Trading PTY LTD	267,626	0.70
20	Mr Noel Roger Cooper & Mrs Susan Doris Cooper	263,984	0.69

(II) Options

The 20 largest option holders held options equivalent to 76.17% of the total quoted options:

RANK	NAME OF SHAREHOLDER	NO. OF SHARES	%
1	Dampier Investment Group PTY LTD	3,591,965	28.21
2	Point Road PTY LTD	812,470	6.38
3	Beirne Trading PTY LTD	628,629	4.94
4	Gavsol Investments PTY LTD	550,000	4.32
5	Leadenhall Australia LTD	500,000	3.93
6	Capital Property Corp PTY LTD	487,255	3.83
7	Lenvat PTY LTD	400,000	3.14
8	Tempest PTY LTD	342,308	2.69
9	Clodene PTY LTD	300,000	2.36
10	Mr Bruce Robert Glanville	260,000	2.04
11	Wightholme Nominees PTY LTD	250,000	1.96
12	AWC Nominees PTY LTD	208,000	1.63
13	Bourkes Hill Station PTY LTD	200,000	1.57
14	Ms Tania-Lea Donohue & Ms Trudi Kon	200,000	1.57
15	Subway Carindale PTY LTD	188,000	1.48
16	Snapco PTY LTD	175,000	1.37
17	Wenola PTY LTD	175,000	1.37
18	Clapsy PTY LTD	150,000	1.18
19	Foligno PTY LTD	150,000	1.18
20	HFT Nominees PTY LTD	130,272	1.02

(D) Voting Rights

(I) Ordinary Shares

All shares issued carry equal voting rights.

All shares are fully paid up and beneficially owned.

(II) Options

No voting rights.

(E) On-Market Buy-Back

There is no current on-market buy-back in place.

