

Friday, 12 October 2012

MARKET ANNOUNCEMENT

Net Tangible Asset Backing – 30 September 2012

Month Ending:	% Change	30 September 2012 Consolidated	31 August 2012 Consolidated
Net tangible assets (NTA) (before tax)	- 2.63%	\$11.639m	\$11.952m
Pre-Tax NTA Backing per share		\$0.653	\$0.671
Net tangible assets (after tax)	- 2.63%	\$11.639m	\$11.952m
Post-Tax NTA Backing per share		\$0.653	\$0.671
Based on total issued share capital		17,814,389	17,814,389

The NTA position comprises the following items:

Net Tangible Assets	Current Month \$'millions	Previous Month \$'millions
Investment in listed Associated Entity:		
(a) Shares in Bentley Capital Limited (BEL)	4.465	4.305
Investments in other listed securities:		
(a) Shares in Strike Resources Limited (SRK)	1.836	2.086
(b) Shares in Alara Resources Limited (AUQ)	-	1.710
(c) Shares in other listed securities	0.005	0.008
Investment in property (held for development/resale)	1.640	1.640
Agribusiness assets (including inventories)	1.886	1.894
Net cash/receivables/payables/other assets/provisions	1.807	0.309
Pre-Tax NTA	\$11.639	\$11.952
Tax Provisions:		
(a) Prior year tax	-	-
(b) Current year tax	-	-
(c) Net deferred tax asset / (liability)	-	-
Post-Tax NTA	\$11.639	\$11.952

During September, the Company sold its 6,332,744 shareholding in AUQ, realising gross proceeds of \$1.58 million.



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Notes:

- (1) The Company's investment in BEL, an Associated Entity (i.e. in which the Company has a greater than 20% interest), is accounted for under the equity method in the consolidated financial statements.
- Under the equity method, the carrying amount of such investment is cost plus a share of the Associate Entity's net profit or loss (after tax) for the financial year to month end as provided to the Company by such Associated Entity (refer note 1.3 (Summary of Accounting Policies – Investments in Associates) at page 21 of the Company's 2012 Full Year Report).
- Accordingly, as at 30 September 2012, the Company's 20,513,783 shares (27.97% interest) (31 August 2012: 20,513,783 shares and 27.97%) in BEL has a carrying value of \$0.2177 per share (\$4.465m); this compares with BEL's last bid price on ASX of \$0.165 per share (\$3.385m) and BEL's after tax NTA backing of \$0.268 per share (\$5.492m) at month end.
- (2) The fair value of investments in ASX listed Strike Resources Limited (**SRK**) comprise 16,690,802 shares (31 August 2012: 16,690,802 shares) with a value of \$0.11 per share (based on the closing bid price on 30 September 2012) (31 August 2012: \$0.125). The Company notes that SRK's closing bid price on 12 October 2012 was \$0.11 per share.
- (3) The fair value of investments in other listed securities is based on each security's last bid price on market at month end.
- (4) Investment in property (held for resale) is carried at net realisable value (refer note 1.13 (Summary of Accounting Policies - Property held for Resale) at page 23 of the Company's 2012 Full Year Report).
- (5) Agribusiness assets comprises a 143 hectare property comprising olive grove land and trees, depreciable plant and equipment, grove related infrastructure and olive oil inventories. The olive grove land and trees are carried at net realisable value (refer note 1.14 (Summary of Accounting Policies - Property, Plant and Equipment) at page 23 of the Company's 2012 Full Year Report).
- (6) Tax Provision Item (c) includes where applicable, a provision for income tax on net unrealised gains on the Company's investments in securities and its share of Associated Entities' after tax net profit for the month (deferred tax liability) and the recognition of future income tax benefits on net unrealised losses on the Company's investments in securities and its share of Associated Entities' after tax net loss for the month (deferred tax asset).

FURTHER INFORMATION:

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