

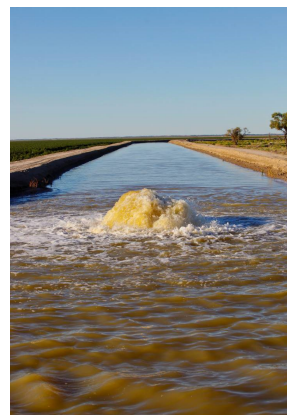


Highlights



This year has been another positive step in establishing diversified income streams and growing the Company's asset base.

- 148% increase in water entitlement holdings (at valuation).
- 21% increase in irrigated cropping area with acquisition of Riverina irrigated property "Bundygoola".
- 76% increase in consolidated investment base of income producing assets (at valuation).



Performance



- Continued positive operating earnings from both water and cropping businesses despite difficult growing season.
- The Company's water business continued to deliver strong results with segment earnings of \$3.9 million in addition to unrealised valuation gains during the period of \$8.7 million before tax.
- Based on the Board's confidence in the business model to continue generating positive returns the Company has again declared an interim dividend return to shareholders of 1 cent per share.



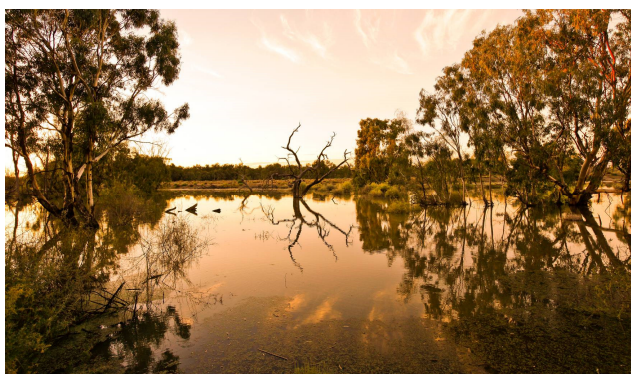
Outlook



- Tandou's proven management expertise and established position as an industry leader in water investment has continued to attract interest from both local and international investment sectors.
- The long term outlook for water values and cropping assets continues to be positive. The Board continues to reflect on the Company's discounted share price and has determined to explore structural and other capital management strategies to deliver increased shareholder value.



Outlook



- The Company places significant importance on developing and improving environmentally sustainable farming practices with an internal environmental management system and continuing compliance with independently certified industry practices.

Meeting Agenda – Option Plan



- The Board has resolved to withdraw resolutions 3 and 4 from the items of ordinary business.
- Resolution 3, Extension of the Option Plan, was designed to allow the Board to implement a long term incentive plan for key employees as part of their overall remuneration package.
- We have received feedback from a number of shareholders that the rules as proposed were too broad.
- It was acknowledged by shareholders that the Company should have a long term share incentive plan and the Board proposed implementation was in line with their expectations.
- Taking on board shareholder feedback Directors have resolved therefore to withdraw the proposal to enable us to enhance the clarity of the Plan. We would intend to re-submit the revised Plan at the next meeting of shareholders.

In Conclusion



- Directors acknowledge the contribution of our loyal and dedicated management and staff. Tandou's success has largely been a result of their efforts and this has positioned the Company to take advantage of the positive outlook for our water and cropping businesses.
- The Board thanks all of our shareholders for your ongoing support and for attending Tandou's 2014 Annual General Meeting.

