

Sandon Capital Investments Limited
ABN 31 107 772 467

Appendix 4E
Annual Report 2014

SANDON CAPITAL

Sandon Capital Investments Limited

ABN 31 107 772 467

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Date: 28 August 2014

ASX CODE: SNC

ASX RELEASE

Appendix 4E

Sandon Capital Investments Limited

Financial Report

Year Ended 30 June 2014

“Results for announcement to the market”

1. Details of the reporting period

The report details the result of SNC for the period ended 30 June 2014 and the previous corresponding period to the period ended 30 June 2013.

2. Results for announcement to the market

	Period to 30 June 2014	Period to 30 June 2013	Movement Up/(down)	Movement Up/(down)
	\$	\$	\$	%
2.1 Revenue from ordinary activities	1,344,836	3,777,140	(2,432,304)	(64.40)
2.2 Profit/(Loss) from operating activities after tax attributable to members	299,108	1,735,969	(1,038,937)	(50.90)
2.3 Comprehensive income after tax for the period attributable to members	-	(1,360,706)	1,360,706	100.00
2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends	No dividend was proposed	No dividend was proposed	N/A	N/A
Special dividend	2.0 cps	N/A	N/A	N/A
2.5 The record date for determining entitlements to the dividends (if any).	N/A	N/A	N/A	N/A
The record date for determining entitlements to the special dividend	16 October 2014	N/A	N/A	N/A
2.6 A brief explanation of any of the figures in 2.1 to 2.5 necessary to enable the figures to be understood.				

The Company has undergone significant changes during the reporting period.

In May 2012 the Company announced its intention to restructure from a Listed Investments Company to an Unlisted Unit Trust. Following approval of the restructure of the Company by shareholders at the Annual General Meeting (AGM) on 13 November 2012, the assets of the Company were transferred to Bell Asset Management Limited on 27 November 2012 in its capacity as Responsible Entity of Global Mining Investments Trust ("the Scheme") and all shareholders of the Company at the time of the restructure received units in the Scheme, equivalent to the number of shares that they held in the Company.

Following the restructure, the Company no longer owned any investments and the Company voluntarily delisted from the Australian Stock Exchange on 28 November 2012.

A general meeting of shareholders was held on 2 October 2013. Shareholders approved resolutions put forward to appoint new directors, consolidate the Company's share capital and change the Company's name. The new Directors were appointed and the name of the company was changed to Sandon Capital Investments Limited. The Company's share capital was consolidated on a 9,000 for 1 basis.

Following capital-raising of \$35,009,000 by the issue of 35,009,000 fully paid ordinary shares at an issue price of \$1.00 and 35,009,000 free attaching options each exercisable at \$1.00 expiring on 24 July 2015, the Company was admitted to the Official List of ASX Limited on 20 December 2013 and trading commenced on 23 December 2013.

This report is based on the financial statements for the financial year ended 30 June 2014 which have been audited by the Company's auditor.

Special dividend declared

The Board has declared a special fully franked dividend of 2.0 cents per share and will be paid on 6 November 2014.

Special Dividend Dates

Announcement date	28 August 2014
Ex-date	14 October 2014
Record date	16 October 2014
DRP Election Date	17 October 2014
Payment date	6 November 2014

The Dividend Reinvestment Plan (DRP) will apply to this dividend. The DRP issue price will be at a 2.0% discount to the price calculated as the volume weighted average price of shares sold on the ASX on the ex date for the dividend and the 3 days following that date.

3. Net tangible assets per Share

	Period to 30 June 2014	Period to 30 June 2013
Before Tax	98.36 cents	N/A
After Tax	98.58 cents	N/A

4. Commentary on Results for the Period

During the year, the Company used most of its cash to purchase additional investments in ASX-listed securities. The net assets of the Company now consist predominantly of securities listed on ASX.

It is the intention of the Directors that the Company will continue to selectively invest in ASX-listed share market opportunities that Directors consider offer the prospect for attractive risk-adjusted returns.

The report is based on the audited financial statements for the financial year ended 30 June 2014 which form part of the Annual Report.

5. Annual Report – “attached”

6. 2014 Annual General Meeting

The AGM is expected to be held on 28 November 2014.

Signed on behalf of Sandon Capital Investments Limited

A handwritten signature in black ink, appearing to be 'G Radzynski', with a long horizontal stroke extending to the right.

Gabriel Radzynski
Chairman

28 August 2014

SANDON CAPITAL

Sandon Capital Investments Limited

ABN 31 107 772 467

Annual Report
30 June 2014

Sandon Capital Investments Limited

ABN 31 107 772 467

ANNUAL FINANCIAL REPORT – 30 June 2014

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Sandon Capital Investments Limited

ABN 31 107 772 467

Portfolio Composition

As at 30 June 2014

	Total Value \$
<i>Australian Securities Exchange Listed Positions</i>	
Name	
Acorn Capital Investment Fund Limited	435,000
Acorn Capital Investment Fund Limited Option	15,000
AMP China Growth Fund	492,227
Armidale Investments Corporation Limited	1,554,567
Bentham IMF Limited Bonds	1,287,000
Calliden Group Limited	1,058,794
Centrepont Alliance Limited	856,679
Century Australia Investment Limited	1,699,525
Clarius Group Limited	659,398
Clime Capital Limited	667,845
Contango Microcap Limited	574,000
Coventry Group Limited	2,530,800
Crowe Horwath Australasia Ltd	775,275
David Jones Limited	706,048
Ingenia Communities Grp. Ltd.	321,000
Intrepid Mines Limited	279,731
Naos Emerging Opportunities Company Limited	301,823
Nexus Energy Limited	8,004
Onthehouse Ltd	490,104
RNY Property Trust	1,106,504
Templeton Global Growth Fund Limited	1,134,185
Transpacific SPS Trust	1,037,850
Warrnambool Cheese and Butter Factory Company Holdings Ltd	1,139,859
TOTAL	19,131,218

Australian Unlisted Investment Positions

Van Eyk Research Pty Limited	650,000
TOTAL	19,781,218

Chairman's Letter

Dear Fellow Shareholder,

On behalf of the Directors of Sandon Capital Investments Limited ("SNC" or the "Company"), I am pleased to present the Company's full year results and Annual Report for the year ended 30 June 2014.

Financial year 2014 was a significant year for the Company as it was recapitalised and relisted on the ASX on 23 December 2013. Since that time, the capital of the Company has been managed by Sandon Capital Pty Ltd ("the Investment Manager") applying its activist investment approach.

Positive investment performance

Since the Company began investing on 19 December 2013, the gross investment return for the Company to 30 June 2014 was 3.70%¹ and the net investment return was 3.01%². During that time, the average cash weighting of the Company's portfolio was 63%, as the Company's capital was carefully deployed into market opportunities.

Dividend announcement – special fully franked dividend of 2.0 cents per share

The Directors are pleased to announce the Company will pay a special fully franked dividend of 2.0 cents per share. The Dividend Reinvestment Plan (DRP) will apply to this dividend. The DRP issue price will be at a 2.0% discount to the price calculated as the volume weighted average price of shares sold on the ASX on the ex date for the dividend and the 3 days following that date.

The key dates for the dividend are:

Special Dividend Dates	
Announcement date	28 August 2014
Ex-date	14 October 2014
Record date	16 October 2014
DRP Election Date	17 October 2014
Payment date	6 November 2014

Financial highlights

In the financial year ending 30 June 2014 (and practically for six months), the Company reported total income of \$1,344,836 and a net profit after tax of \$299,108.

The Company's recurring expenses, other than investment management fees and brokerage, were approximately \$336,119, and the Directors expect that these costs should remain stable in anticipation of future growth for the Company. The one-off restructuring expenses associated with the transformation from Global Mining Investments Limited to Sandon Capital Investments Limited, as well as the listing costs, totalled \$361,503.

Future plans

My fellow Directors and I are pleased with the results of the Company from this initial six month period. We will continue to focus on managing the recurring expenses of the Company and will strive to ensure these fall as a proportion of the capital of the Company. Positive investment performance and any capital management initiatives will assist in improving this ratio. The best way to do this is for the Investment Manager to continue to deliver acceptable returns, which grow the NTA per share. Achieving this will allow the Company to deliver a growing stream of fully franked dividends over time, which together with capital growth, are the investment objectives of the Company.

Investment outlook

The Investment Manager remains cautious about the global macro outlook, as it believes market conditions remain fertile for sentiment to overshoot value (both up and down). The consequences of the significant macro factors at play globally are difficult to predict or quantify. That said, the Investment Manager sees such conditions as ultimately ideal for its activist investment approach.

Chairman's Letter (continued)

Thank you

I would like to thank you as a fellow shareholder for the opportunity to manage some of their hard-earned money, and I look forward to reporting regularly on the Company's progress. I also look forward to meeting many of you at the Annual General meeting on 28 November in Sydney and at our interstate investment presentations in November and December.

I would also like to thank my fellow directors for their support in guiding the Company.

If you have any questions regarding your shareholding, you should call the share registry, Link Market Services on 1300 554 474. If you have any questions regarding the Company and its investments, please do not hesitate to contact me either by email (Gabriel@sandoncapital.com.au) or by phone at 02 8014 1188 or 0408 936 357.

Yours sincerely,



Gabriel Radzynski
Chairman,
Sandon Capital Investments Limited

Sydney
28 August 2014

¹ Gross investment return equals total income, including any realised and unrealised gains or losses, interest, dividends and trust distributions less brokerage and before any taxes, management fees and Company expenses.

² Net investment returns equals gross investment returns less management fees.

Directors' Report

The Directors of Sandon Capital Investments Limited ("the Company") present their report together with the financial statements of the Company for the year ended 30 June 2014.

Sandon Capital Investments Limited is a company limited by shares and is incorporated in Australia.

Directors

The following persons were Directors of the Company during the year and up to the date of this report:

Gabriel Radzynski – Chairman (Appointed 2 October 2013)
Paul Jensen – Independent Director (Appointed 2 October 2013)
Matthew Kidman – Independent Director (Appointed 2 October 2013)
Lewis Bell (Resigned 2 October 2013)
Dean Davenport (Resigned 2 October 2013)
Andrew Bell (Resigned 2 October 2013)
Rowen Fell (Resigned 2 October 2013)

At a general meeting of shareholders held on 2 October 2013, the shareholders approved the replacement of the Directors and Company Secretary of Global Mining Investments Limited ("GMI") and the new Directors and Company Secretary was appointed on that date.

Company secretary

Nicholas Fels resigned as Company secretary on 2 October 2013 and Mark Licciardo was appointed Company secretary on that date.

Principal activities

The Company has begun investing in both cash and listed securities. As at 30 June 2014 approximately 53.5% of the portfolio has been invested in listed securities, with the remainder in unlisted securities, cash and term deposits.

The Company seeks out investment opportunities with high levels of tangible assets, marketable securities or cash, whose values are somewhat independent of market and economic conditions and which the Manager considers have good prospects for change. It also seeks, from time to time, to take advantage of other opportunities where the Manager considers there are reasonable projects for a satisfactory return.

Operating Results

The Company reported a net profit after tax for the year of \$299,108 (2013:\$1,735,969).

Total other comprehensive income, representing unrealised and realised movements in the value of the portfolio resulted in a net gain for the year of \$299,108 (2013: \$375,263).

During the year the Net Tangible Assets (after tax) (NTA) increased from \$0.968 at 31 December 2013 to \$0.983 at 30 June 2014.

The increase in NTA is primarily due to the increase in the market value of the Company's investments in listed securities as well as interest, dividend and other income received during the year.

During the period significant non-recurring expenses associated with the restructuring and recapitalisation of the company were incurred.

Review of operations

The Company has undergone significant changes during the year.

In May 2012 the Company announced its intention to restructure from a Listed Investments Company to an Unlisted Unit Trust. Following approval of the restructure of the Company by shareholders at the Annual General Meeting (AGM) on 13 November 2012, the assets of the Company were transferred to Bell Asset Management Limited on 27 November 2012 in its capacity as Responsible Entity of Global Mining Investments Trust ("the Scheme") and all shareholders of the Company at the time of the restructure received units in the Scheme, equivalent to the number of shares that they held in the Company.

Following the restructure, the Company no longer owned any investments and the Company voluntarily delisted from the Australian Securities Exchange on 28 November 2012.

Directors' Report (continued)

Review of operations (continued)

A general meeting of shareholders was held on 2 October 2013. Shareholders approved resolutions put forward to appoint new directors, consolidate the Company's share capital and change the Company's name. The new Directors were appointed and the name of the company was changed to Sandon Capital Investments Limited. The Company's share capital was consolidated on a 9,000 for 1 basis.

As a result of the shareholders approving the resolution at the October 13 general meeting, the asset sale deed between the Company and Bell Asset Management Limited as Responsible Entity of the Scheme, and the Scheme will no longer be required to indemnify the Company of future costs and expenses.

Following capital-raising of \$35,009,000 by the issue of 35,009,000 fully paid ordinary shares at an issue price of \$1.00 and 35,009,000 free attaching options each exercisable at \$1.00 expiring on 24 July 2015, the Company was admitted to the Official List of ASX Limited on 20 December 2013 and trading commenced on 23 December 2013.

At the Company's Annual General Meeting ("AGM") of shareholders held on 31 January 2014, Shareholders also approved the following resolutions:

- Change of Company auditor – The Company's former auditor, Ernst & Young ("EY"), submitted its resignation as auditor of the Company on 20 December 2013 and had applied to ASIC for consent to resign effective from the later of the conclusion of the AGM and the day on which ASIC gives its consent. The appointment of Moore Stephens Sydney as auditor of the Company was approved. Moore Stephens Sydney had provided its consent to this appointment.
- Approval of additional 10% placement capacity – Shareholders approved by special resolution the resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue over a period of 12 months after the AGM. Any equity securities issued will be in the same class as an existing class of quoted equity securities. There has been no issue of new securities.

The financial statements of the Company for the year were prepared on a 'fair value measurement' basis for accounting purposes (unless otherwise stated) which is the same basis that the Company has consistently applied for all reporting periods presented to date.

Dividend

The Directors have not declared a dividend for the year ending 30 June 2014.

Events occurring after the reporting period

The Board has declared a special fully franked dividend of 2.0 cents per share and will be paid on 6 November 2014.

Apart from the above, no events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

Future Developments, Prospects and Business Strategies

The Company will continue to selectively invest in share market opportunities that the Manager consider offer the prospect for attractive risk-adjusted returns.

Environmental regulations

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

Directors' Report (continued)

Information on directors

Mr Gabriel Radzynski BA (Hons), MCom (Chairman and Executive Director)
Appointed Chairman 2 October 2013

Experience and special responsibilities

Gabriel is the founder and Managing Director of Sandon Capital Pty Ltd, a boutique investment management and advisory firm. He is the portfolio manager of the Sandon Capital Activist Fund, a fund targeting underperforming companies. Sandon Capital also provides advisory services to shareholders seeking to implement activist strategies. Gabriel also holds directorships in Sandon Capital Opportunities Limited, Murchison Metals Limited, Future Generation Investment Fund Limited and Mercantile Investment Company Limited.

Matthew Kidman LLB, BEc, GradDip App Fin (Non-Executive director)
Appointed 2 October 2013

Experience and special responsibilities

Matthew Kidman is currently Chairman of Watermark Market Neutral Fund. He is a Director of WAM Capital Limited, WAM Research Limited, WAM Active Limited, Incubator Capital Limited and financial planning group, Centrepoint Alliance Limited. He is also a Director of the investment management company Boutique Asset Management Pty Limited. Matthew worked as a portfolio manager at Wilson Asset Management (International) Pty Limited for 13 years and prior to joining Wilson Asset Management, Matthew worked as a finance journalist at the Sydney Morning Herald where he was made business editor of the paper and was charged with the responsibility of company coverage.

Paul Jensen B.Com, FAICD (Non-Executive director)
Appointed 2 October 2013

Experience and special responsibilities

Paul Jensen currently serves on the board of Murchison Metals Limited and Future Generation Investment Fund Limited, and was a Director of RHG Limited. Paul has over 25 years of international experience in finance, investment management and banking, with specific expertise in strategy formation, governance and financial performance. He has held senior executive positions with Clime Investment Management Limited, HFA Holdings Limited; Director, Lend Lease Corporate Services Limited, Travelex Limited and the Lloyds TSB banking group in New Zealand, United Kingdom and Australia.

Lewis Bell LLB MBA (Chairman and Non-Executive director)
Appointed Chairman 20 May 2013
Resigned 2 October 2013

Dean Davenport B.Bus (Non-Executive director)
Appointed 20 May 2013
Resigned 2 October 2013

Andrew Bell B.Comm, MBA (Non-Executive director)
Appointed 20 May 2013
Resigned 2 October 2013

Rowan Fell B.SC (Non-Executive director)
Appointed 6 August 2013
Resigned 2 October 2013

Company Secretary

Mark Licciardo B Bus(Acc), GradDip CSP, FGIA, FCIS, GAICD (Company Secretary)
Appointed 2 October 2013

Experience and special responsibilities

Mr Licciardo is Managing Director of Mertons Corporate Services Pty Ltd (Mertons) which provides company secretarial and corporate governance consulting services to ASX listed and unlisted public and private companies. Prior to establishing Mertons, Mr Licciardo was Company Secretary of the Transurban Group (2004-07) and Australian Foundation Investment Company Limited (1997-04). Mark has also had an extensive commercial banking career with the Commonwealth Bank and State Bank Victoria. Mr Licciardo is a former Chairman of the Governance Institute Australia (GIA) in Victoria, current Chairman of the Melbourne Fringe Festival, a fellow of GIA, a graduate member of the Australian Institute of Company Directors (AICD) and a Director of several public and private companies.

Directors' Report (continued)

Company Secretary (continued)

Nick Fels MBA
Appointed 19 July 2013
Resigned 2 October 2013

Meetings of directors

The numbers of meetings of the Company's Board of Directors and of each audit committee held during the year ended 30 June 2014, and the numbers of meetings attended by each director were:

	Directors' Meeting		Audit & Risk Committee Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Gabriel Radzynski	5	5	1	1
Matthew Kidman	5	5	1	1
Paul Jensen	5	5	1	1
Lewis Bell (Resigned 2 October 2013)	3	3	-	-
Dean Davenport (Resigned 2 October 2013)	3	2	-	-
Andrew Bell (Resigned 2 October 2013)	3	2	-	-
Rowan Fell (Resigned 2 October 2013)	3	2	-	-
Total Meetings Held	8		1	

Remuneration report (Audited)

This report details the nature and amount of remuneration for each Director of Sandon Capital Investments Limited. The current employees of the Company are one Executive Director and two Non-Executive Directors. The Company Secretary is remunerated under a service agreement with Mertons Corporate Services Pty Ltd.

Nature and amounts of remuneration

Pursuant to the prospectus, dated 19 November 2013, the maximum total remuneration of the Directors has been set at \$300,000 per annum to be divided among the Directors, in such proportions as they agree having regard to their duties and responsibilities in their role as director. The directors do not currently intend to pay remuneration above \$85,000. The Board will seek shareholder approval should it wish to increase this amount. Additional remuneration may be paid in accordance with the Company's Constitution.

The Directors do not receive any other benefits or remuneration, other than Directors' fees and statutory superannuation other than as disclosed in Note 16, remuneration of the directors is not linked to the performance of the Company.

Where specialist services beyond the normal expectations of a Non-Executive Director are provided to the Company, payment will be made on a normal commercial basis. Further details are contained in Note 16.

Details of the remuneration of the directors, the key management personnel of the Company (as defined in AASB 124 *Related Party Disclosures*) are set out in the following tables:

	Short-Term Employee Benefits Cash salary and fees \$	Post- Employment Benefits Superannuation \$	Total \$
30 June 2014			
Name			
Gabriel Radzynski (Appointed 2 October 2013)	6,865	635	7,500
Matthew Kidman (Appointed 2 October 2013)	17,162	1,588	18,750
Paul Jensen (Appointed 2 October 2013)	18,750	-	18,750
Dean Davenport (Resigned 2 October 2013)	-	-	-
Andrew Bell (Resigned 2 October 2013)	-	-	-
Rowan Fell (Resigned 2 October 2013)	-	-	-
Lewis Bell (Resigned 2 October 2013)	-	-	-
Total	42,777	2,223	45,000

Directors' Report (continued)

Remuneration report (Audited) (continued)

	Short-Term Employee Benefits Cash salary and fees \$	Post- Employment Benefits Superannuation \$	Total \$
30 June 2013			
Name			
John Robinson (Resigned 20 May 2013)	38,856	3,497	42,353
Lewis Bell	22,490	2,024	24,514
Lynette Gearing (Resigned 20 May 2013)	22,490	2,024	24,514
Total	83,836	7,545	91,381

The Company has no employees other than Non-Executive Directors and therefore does not have a remuneration policy for employees.

The Directors are the only people considered to be key management personnel of the Company.

Cash, salary and superannuation shown above for Paul Jensen reflect monthly Director's fees paid to Felsen Pty Limited (GST exclusive).

Number of Shares and Options held directly, indirectly or beneficially by Key Management Personnel, or by entities to which they were related at the date of this report, were:

	Balance 1 July 2013 \$	Net Acquisition/ Disposal \$	Balance 30 June 2014 \$
2014			
Shares			
Gabriel Radzynski [^] **	2,995	200,000	202,995
Paul Jensen ^{^**}	-	150,000	150,000
Matthew Kidman ^{^**}	-	100,000	100,000
John Robinson [*]	160,000	(160,000)	-
Lewis Bell [*]	1,949,123	(1,949,123)	-
Lynette Gearing [*]	2,000	(2,000)	-
Options			
Gabriel Radzynski [^] **	-	200,000	200,000
Paul Jensen ^{^**}	-	150,000	150,000
Matthew Kidman ^{^**}	-	100,000	100,000
John Robinson [*]	-	-	-
Lewis Bell [*]	-	-	-
Lynette Gearing [*]	-	-	-

* Resigned 2 October 2013

[^] Appointed 2 October 2013

** Held through direct and indirect interests

END OF REMUNERATION REPORT

Indemnification and insurance of officers and auditors

During or since the end of the financial period the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed.

Directors' Report (continued)

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceeding to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Non-Audit Services

The Board of Directors, in accordance with advice from the Audit & Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed in Note 4 did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with the APES 110: Code of Ethics for Professional Accountants set by the Accounting Profession and Ethical Standards Board.

Fees paid to the Manager

Fees paid to the Manager out of Company property during the year are disclosed in Note 16 of the financial statements.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 11.

This report is made in accordance with a resolution of directors.



Gabriel Radzynski
Chairman

Sydney
28 August 2014

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Sydney NSW 2000

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**Auditor's Independence Declaration
to the Directors of Sandon Capital Investments Limited**

As lead auditor for the audit of Sandon Capital Investments Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Sandon Capital Investments Limited during the period.



Moore Stephens Sydney
Chartered Accountants



Scott Whiddett
Partner

Dated in Sydney this 28 August 2014

Sandon Capital Investments Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2014

Statement of Profit or Loss and Other Comprehensive Income

	Notes	30 June 2014 \$	30 June 2013 \$
Revenue			
Interest income		436,207	293,052
Dividend income		183,923	1,952,523
Trust distributions received		32,101	-
Net realised gains on investments at fair value through profit or loss		101,149	1,506,202
Net unrealised gains on investments at fair value through profit or loss		562,446	-
Net gains on foreign currency transactions		-	4,096
Other income		29,010	21,267
Total revenue		1,344,836	3,777,140
Expenses			
Management fees	16(d)	238,292	947,875
Directors' fees	16(b)	46,875	91,381
Audit and taxation fees	4	89,274	48,585
Interest expense		-	14,687
Service agreement fees	16(d)	3,942	137,768
Restructure costs		286,000	351,429
Other expenses	7	337,851	314,617
Withholding tax		-	134,829
Total expenses		1,002,234	2,041,171
Profit before income tax		342,602	1,735,969
Income tax expense	3(a)	43,494	-
Profit after income tax attributable to the owners of the Company		299,108	1,735,969
Other comprehensive income			
Net realised gains/(losses) on investments at fair value through other comprehensive income		-	(1,360,706)
Total other comprehensive income for the year attributable to the owners of the Company		-	(1,360,706)
Total comprehensive income for the year		299,108	375,263
Earnings per Share			
From Continuing Operations			
- Basic Earnings per share (cents per share)	6	1.59	0.95
- Diluted Earnings per share (cents per share)	6	1.59	0.95
From Comprehensive Income			
- Basic Earnings per share (cents per share)	6	1.59	0.21
- Diluted Earnings per share (cents per share)	6	1.59	0.21

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

	Notes	30 June 2014 \$	30 June 2013 \$
Assets			
<i>Current assets</i>			
Cash and cash equivalents	8	15,948,866	-
Trade and other receivables	9	157,035	-
Prepayments		16,387	-
Financial assets	10	19,781,218	-
Total current assets		35,903,506	-
<i>Non-current assets</i>			
Deferred tax assets	11	258,477	-
Total non-current assets		258,477	-
Total assets		36,161,983	-
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	12	1,405,758	-
Total current liabilities		1,405,758	-
<i>Non-current liabilities</i>			
Deferred tax liabilities	11	183,951	-
Total non-current liabilities		183,951	-
Total liabilities		1,589,709	-
Net assets		34,572,274	-
Equity			
Contributed equity	13	34,273,166	27,732,198
Accumulated losses		-	(27,732,198)
Profits reserve	14	299,108	-
Total equity attributable to the owners of the Company		34,572,274	-

The above statement of financial position should be read in conjunction with the accompanying notes.

Sandon Capital Investments Limited
Statement of Changes in Equity
For the year ended 30 June 2014

Statement of Changes in Equity

	Notes	Contributed equity	Accumulated other comprehensive income	Retained profits/ accumulated losses	Profit Reserve	Total Equity
		\$	\$	\$		\$
Balance at 1 July 2012		211,161,268	(20,883,148)	(7,224,313)	-	183,053,807
Profit/ for the year attributable to the owners of the Company		-	-	1,735,969	-	1,735,969
Other comprehensive income						
Net realised losses on investments at fair value through other comprehensive income		-	(1,360,706)	-	-	(1,360,706)
Total comprehensive income for the year attributable to the owners of the Company		-	(1,360,706)	1,735,969	-	375,263
Transfer of realised other comprehensive income (net of tax) to retained profits		-	1,360,706	(1,360,706)	-	-
Transfer of accumulated other comprehensive income		-	20,883,148	(20,883,148)	-	-
Transactions with owners in their capacity as owners:						
Capital reduction	13(b)	(183,429,070)	-	-	-	(183,429,070)
Dividends provided for or paid	5	-	-	-	-	-
Balance at 30 June 2013		27,732,198	-	(27,732,198)	-	-
Profit for the year attributable to the owners of the Company		-	-	299,108	-	299,108
Total comprehensive income for the year attributable to the owners of the Company		-	-	299,108	-	299,108
Transfer to retained earnings		(27,732,198)	-	27,732,198		-
Shares issued net of capital raising costs	13(b)	34,273,166	-	-	-	34,273,166
Dividends provided for or paid	5	-	-	-	-	-
Transfer to profit reserve	14	-	-	(299,108)	299,108	-
Balance at 30 June 2014		34,273,166	-	-	299,108	34,572,274

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

		30 June 2014	30 June 2013
	Notes	\$	\$
Cash flows from operating activities			
Dividends received		183,923	2,029,518
Interest received		385,484	659,643
Other income received		61,111	21,267
Management fees paid		(200,509)	(1,052,524)
Payment of other expenses		(828,376)	(1,157,597)
Proceeds from sale of investments		4,711,339	-
Payments for investments		(22,519,252)	-
Net cash (used in)/provided by operating activities	17(a)	(18,206,280)	500,307
Cash flows from investing activities			
Proceeds from sale of investments		-	35,950,683
Payments for investments		-	(31,890,908)
Net cash provided by investing activities		-	4,059,775
Cash flows from financing activities			
Proceeds from shares issued		34,155,146	-
Net cash provided by financing activities		34,155,146	-
Net increase in cash and cash equivalents		15,948,866	4,560,082
Cash and cash equivalents at the beginning of the year		-	(4,707,010)
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	146,928
Cash and cash equivalents at end of the year	17(b)	15,948,866	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 General Information

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Sandon Capital Investments Limited is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report includes the financial statements and notes of Sandon Capital Investments Limited ("the Company"). Sandon Capital Investments Limited is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB.

The financial statements are for the year ended 30 June 2014.

The financial report was approved for release by the Board of Directors on 25 August 2014. The Directors of the Company have the power to amend and reissue the financial statements.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied, unless otherwise stated.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. All amounts are presented in Australian dollars unless otherwise stated.

In preparing this financial report, the significant judgements made by management in applying the accounting policies and the key sources of estimates or uncertainty were the same as those that applied historically.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Summary of significant accounting policies

a) Financial instruments

(i) Initial Recognition and Measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

(ii) Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current market prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash

2 Summary of significant accounting policies (continued)

b) Financial instruments (continued)

(ii) Classification and Subsequent Measurement (continued)

flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(iii) Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial assets.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

(iv) Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of noncash assets or liabilities assumed, is recognised in profit or loss.

c) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within current liabilities on the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above and net of bank overdrafts.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities.

d) Revenue and Other Income

Interest income is recognised in the statement of comprehensive income for all financial instruments on an accrual basis. Other changes in fair value for such instruments are recorded in accordance with the policies described elsewhere in the report.

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

Net gains/(losses) on financial assets held at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at the end of the year and the fair value at the previous valuation point. Net gains/(losses) do not include interest or dividend.

All revenue is stated net of the amount of goods and services tax (GST).

2 Summary of significant accounting policies (continued)

e) Expenses

All expenses are recognised in the statement of comprehensive income on an accrual basis.

f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the Australian corporate income tax rate (30%) adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. The Company may incur withholding tax imposed by certain countries on investment income. Such income is recorded net of withholding tax in the statement of comprehensive income.

g) Earnings per Share (EPS)

Basic earnings per share is determined by dividing the operating profit after tax by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by dividing the operating profit after tax adjusted for the effect of earnings on potential ordinary shares, by the weighted average number of ordinary shares (both issued and potentially dilutive) outstanding during the financial year.

h) Contributed equity

Ordinary shares are classified as equity. Issued and paid up equity is recognised at the fair value of the consideration received by the Company.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

i) Profits reserve

The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

j) Trade and other receivables

Receivables may include amounts for dividends, interest and securities sold where settlement has not yet occurred. Interest is accrued at the end of each reporting period from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables. Dividends are accrued when the right to receive payment is established.

Sale of securities that are unsettled at reporting date are normally settled within three business date of the trade date.

2 Summary of significant accounting policies (continued)

k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the reporting date which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Purchases of securities and investments that are unsettled at the reporting date are included in payables and are normally settled within three business days of trade date.

l) Goods and Services Tax (GST)

Expenses of various services provided to the Scheme by third parties such as investment management fees are recognised net of the amount of associated GST recoverable, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the expense in the statement of comprehensive income.

Accounts payable and receivable are stated inclusive of the GST receivable and payable. The net amount of GST recoverable from, or payable to, the taxation authority is included in receivables or payables in the statement of financial position.

Cash flows relating to GST are included in the statement of cash flows on a gross basis.

m) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

n) New and amended accounting policies adopted

The Company has adopted AASB 13: Fair Value Measurement and associated Amending Standards. AASB 13 defines fair value, addresses how to measure fair value and requires disclosures about fair value measurement. The amounts reported in the Company's financial statements were not affected as a consequence of applying AASB 13. However the Company has included new disclosures regarding assets and liabilities that are measured at fair value in the Company's financial statements.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly transaction between independent, knowledgeable and willing market participants at the measurement date or, in the absence of such a market, the most advantageous market to which the Company has access at that date.

As fair value is a market-based measure, the Company uses closing quoted last prices as a basis of measuring the fair value of assets and liabilities that are listed. The fair values of assets and liabilities that are not traded in an active market are determined using valuation techniques that maximise the use of observable market data.

o) New accounting standards and interpretations not yet mandatory or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2014 reporting period and have not yet been applied in the financial statements. The Company's assessment of the impact of these new standards and interpretations is set out below.

- (i) *AASB 9 Financial Instruments* and *AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9* and *AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* (effective from 1 January 2015)

AASB 9 Financial Instruments addresses the classification, measurement, recognition and derecognition of financial assets and financial liabilities. The Standard is not applicable until 1 January 2015. In addition to the classification and measurement requirements for financial assets that appeared in the December 2009 version of AASB 9, AASB 2010-7 was also issued by the AASB to update the requirements in other Australian Accounting Standards for the requirements in the revised AASB 9. Reporting entities will be required to disclose on transition to AASB 9 the impact of reclassification of financial instruments, rather than restating comparatives (subject to specific rules according to transition date). No significant impact is expected upon adoption of the amendments.

There are no other standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

	Year Ended 30 June 2014 \$	Year ended 30 June 2013 \$
3 Income tax expense		
(a) Income tax expense recognised in profit or loss		
Deferred tax expense recognised in profit or loss	43,494	-
	43,494	-
Deferred income tax expense included in income tax expense comprises:		
(Increase) in deferred tax assets	(140,457)	-
Increase in deferred tax liabilities	183,951	-
	43,494	-
(b) Current income tax benefit		
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Profit from continuing operations before income tax expense	342,602	1,735,969
Prima facie tax expense on profit from ordinary activities before income tax at 30% (2013:30%)	102,781	520,790
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Imputation credits grossed up	25,408	(30,498)
Foreign tax credits	-	37,942
Tax exempt income	-	(17,400)
Movements in non-assessable investment gains	-	1,391,317
Reversal of deferred tax previously recognised	-	(1,902,151)
Excess imputation credits capitalised for future losses	(84,695)	-
	43,494	-

	Year ended 30 June 2014	Year ended 30 June 2013
	\$	\$

4 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor, its related practices and non-related audit firms:

Moore Stephens

Assurance services

Audit services

Audit and review of financial statements and other audit work under the *Corporations Act 2001*

	31,370	37,595
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Other assurance services

	33,090	-
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Total remuneration for assurance services

	64,460	37,595
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BDO

Non- Assurance Services

Taxation services

	48,554	14,080
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Total remuneration for non-assurance services

	48,554	14,080
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5 Dividends

No dividends were paid or provided for during the year (2013: Nil).

(a) Dividends proposed (but not recognised as a liability as at 30 June)

Special fully franked dividend for 2014 of \$0.02 cents (2013: Nil cents)

	700,589	-
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Dividends proposed will be franked at the rate of 30% (2013: 30%).

(b) Dividend franking account

Balance at the end of the year at 30% tax rate

	3,340,193	3,340,193
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Franking credits on dividends received

	84,695	-
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Balance available for subsequent reporting periods

	3,424,888	3,340,193
--	-----------	-----------

6 Earnings Per Share

(a) Reconciliation of earnings to profit after tax

Profit after tax attributable to members

	299,108	1,735,969
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Earnings used to calculate basic and diluted EPS

	299,108	1,735,969
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	Year ended 30 June 2014 \$	Year ended 30 June 2013 \$
6 Earnings Per Share (continued)		
(b) Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS		
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	18,819,821	181,898,994
Weighted average number of options outstanding	-	-
Weighted average number of ordinary shares and options outstanding during the year used in calculating diluted EPS	18,819,821	181,898,994
Comprehensive Income:		
Profit for the year	299,108	1,735,969
Other Comprehensive Income (loss) for the year, Net of Tax	-	(1,360,706)
Total Comprehensive Income for the year	299,108	375,263

7 Other expenses

Accounting and secretarial costs	45,330	-
Legal fees	58,358	70,908
Professional and consultancy fees	16,500	51,430
Custody fee	2,050	-
ASIC & ASX charges	36,317	-
Director & Officer insurance	17,456	-
Share registry fees	58,928	169,990
Brokerage expenses	66,320	-
Other operating expenses	36,592	22,289
	337,851	314,617

As at 30 June 2014 \$	As at 30 June 2013 \$
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8 Cash and cash equivalents

Cash at bank	1,948,866	-
Term Deposits	14,000,000	-
Total cash and cash equivalents	15,948,866	-

Cash at bank earns interest at floating rates based on daily bank deposit rates.

	As at 30 June 2014 \$	As at 30 June 2013 \$
9 Trade and Other Receivables		
Trade receivables	93,595	-
Interest receivable	50,724	-
GST and other tax receivable	3,008	-
Other receivable	9,708	-
Total trade and other Receivables	157,035	-

Trade receivables are unsettled sales of investments and are generally receivable within three business days. Other receivables relates to a deposit for the purchase of an investment subject to certain conditions being met which had not occurred before period end non-interest bearing and are generally receivable within 30 days.

10 Financial assets

Financial assets held-for-trading comprise of:

Shares in listed corporations held for trading	19,131,218	
Shares in unlisted corporations held for trading	650,000	-
Total financial assets	19,781,218	-

11 Deferred taxation

	Opening balance \$	Capital Raising Costs \$	Charged to income \$	Charged directly to equity \$	Closing balance \$
2014					
Deferred Tax Liability					
Income provisions	-	-	15,217	-	15,217
Fair value gain	-	-	168,734	-	168,734
Balance as at 2014	-	-	183,951	-	183,951
Deferred Tax Assets					
Losses recognised	-	-	164,061	-	164,061
Transaction costs on equity issue	-	118,020	(23,604)	-	94,416
Balance as at 2014	-	118,020	94,416	-	258,477

Deferred tax assets relating to capital raising costs have been recognised in the Statement of Financial Position totalling \$94,416. As at 30 June 2013, there were no deferred tax assets or liabilities recognised in the Statement of Financial Position.

	As at 30 June 2014 \$	As at 30 June 2013 \$
12 Trade and Other Payables		
Current		
Trade payables	1,309,710	-
GST and other tax payable	3,175	-
Sundry payables and Accrued expenses	92,873	-
Total trade and other payables	1,405,758	-

Trade creditors relate to outstanding settlements. They are non-interest bearing and are secured by the Australian Securities Exchange – National Guarantee Fund. They are settled within 3 days of the purchase being executed.

13 Contributed equity and movements in total equity

	30 June 2014 \$	30 June 2014 No	30 June 2013 \$	30 June 2013 No
(a) Share capital				
Ordinary shares				
Fully paid	34,273,166	35,029,468	27,732,198	181,898,994
	34,273,166	35,029,468	27,732,198	181,898,994
(b) Movements in shares on issue				
Opening balance	27,732,198	181,898,994	211,161,268	181,898,994
Transfer to retained earnings	(27,732,198)	-	-	-
Share Consolidation	-	(181,878,526)	-	-
Shares issued	34,273,166	35,009,000	(183,429,070)	-
Closing balance	34,273,166	35,029,468	27,732,198	181,898,994

On 2 October 2013, the Company's share capital was consolidated on a 9,000 to 1 basis.

Prior to the capital-raising on 16 December 2013, there were 20,468 issued shares.

On 16 December 2013, 35,009,000 ordinary shares were issued at \$1.00 per share; with 35,009,000 free attaching options each exercisable at \$1.00 expiring on 24 July 2015.

(c) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(d) Capital management

The Company's objective in managing capital was to provide shareholders with capital growth over the medium to long term, balanced with the distribution of income received by the Company through the payment of fully franked dividends to its shareholders.

The Directors regularly review the capital management of the Company, and the market conditions affecting the capital of the Company. In the past the Board has managed the capital of the Company through the amount of dividends paid to shareholders, the issue of shares from time to time such as through rights issues and dividend reinvestment plans, and the buy-back of its own shares.

	As at 30 June 2014 \$	As at 30 June 2013 \$
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14 Profits reserve

Profit Appropriation Reserve	299,108	-
	299,108	-

Movement in profit appropriation reserve

Balance as at beginning of the period	-	-
Transfer from retained earnings	299,108	-
Balance as at reporting date	299,108	-

15 Financial risk management

The Company's financial instruments consisted mainly of shares listed on the Australian stock exchange. Other financial instruments include deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments measured in accordance with AASB 13 as detailed in the accounting policies to these financial statements are as follows:

	Note	As at 30 June 2014 \$	As at 30 June 2013 \$
Financial Assets			
Cash and cash equivalents	8	15,948,866	-
Trade and other receivables	9	157,035	-
Prepayments		16,387	-
Financial assets at fair value through profit or loss			
Listed securities held-for-trading	10	19,131,218	-
Unlisted securities held-for-trading	10	650,000	-
		35,903,506	-
Financial liabilities			
Trade and other payables	12	1,405,758	-
		1,405,758	-

The Company measures and recognises its held-for-trading financial assets on a recurring basis.

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

- Level 1** Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

15 Financial risk management (continued)

(a) Fair value hierarchy (continued)

Included in Level 1 of the hierarchy are listed investments. The fair value of these financial assets have been based on the closing quoted last prices at the end of the year, excluding transaction costs

As at 30 June 2014, the Company has investments that are not listed on the Australian Securities Exchange but have a recent subscription price in which has been used as a determinate of fair value. The Level 2 investments are therefore measured at their fair value but represent investments in an inactive market. In valuing unlisted investments, the fair value has been determined using the valuation technique of the quoted subscription price and the amount of securities subscribed for by the Company under the relevant offers.

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2014.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial Assets:				
Held-for-trading financial assets				
Shares in listed corporations	19,131,218	-	-	19,131,218
Shares in unlisted corporations	-	650,000	-	650,000
Total financial assets recognised at fair value on a recurring basis	19,131,218	650,000	-	19,781,218

There were no transfers between levels for recurring fair value measurements during the period.

(b) Objectives, strategies, policies and processes

The Company's activities exposed it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

This note presents information about the Company's exposure to each of the above mentioned risks and the Company's policies and processes for measuring and managing risks.

The Manager, Sandon Capital Pty Limited, invested in accordance with the investment objectives and restrictions as set out in the Management Agreement. The investment objectives, restrictions and associated risks are managed by the Manager through its portfolio construction process, internal controls and compliance processes. The investment restrictions included that the Company would use short selling except in limited circumstances and only for hedging purposes, and gearing was not permitted to exceed more than 50% of the portfolio.

The Company used different methods to measure different types of risk to which it was exposed. These methods included sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and when deemed appropriate, ratings analysis for credit risk for financial reporting purposes.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: price risk, foreign currency risk and interest rate risk. Market risk was managed through diversification and adherence to the Company's investment guidelines and monitored using sensitivity analysis.

The market risk disclosures are prepared on the basis of the Company's direct investments and not on a look-through basis.

The sensitivity of the Company's equity and profit/(loss) to price risk, foreign exchange risk and interest rate risk is measured by the reasonably possible movements approach. This approach is determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and foreign exchange rates, historical correlation of the Company's investments with the relevant benchmarks and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Company invests. As a result, historic variations in the risk variables are not a definitive indicator of future variations in the risk variables.

15 Financial risk management (continued)

(c) Market risk (continued)

(i) Price risk

Price risk is the risk that the fair value of equities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Price risk exposure arises from the Company's investment portfolio. The investments are classified on the statement of financial position as investments at fair value through profit or loss. All investments present a risk of loss of capital. Except for equities sold short, the maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. Possible losses from equities sold short can be unlimited, however the Company did not engage in short selling.

The Manager mitigated this price risk through diversification in terms of Company, geography and commodity and selection of securities in accordance with the Company's investment guidelines.

The Company's overall market positions were monitored on a regular basis by the Company's Manager.

The Manager had built in procedures to ensure adherence to the Company's investment guidelines.

The Company is exposed to share price risk through its investment holdings on the Australian Stock Exchange. All equity investments (other than investment in Van Eyk Research) are publicly traded on Australian Stock Exchange (ASX) and holdings are predominantly in small capitalisation companies with varying degrees of liquidity. Van Eyk Research is an unlisted investment.

The Company's exposure to price risk on classes of financial assets and liabilities is as follows:

	As at 30 June 2014 \$	As at 30 June 2013 \$
Financial Assets		
Financial assets held-for-trading - Listed securities	19,131,218	-
Financial assets held-for-trading - Unlisted securities	650,000	-
	19,781,218	-

Price risk sensitivity analysis

Change in Profit

– Increase in portfolio prices by 5%	989,061	-
– Decrease in portfolio prices by 5%	(989,061)	-

Held-for-trading financial assets are actively managed on a short term basis and are fair valued through the Statement of Comprehensive Income. Any movement in the portfolio price will be realised in the Statement of Comprehensive Income.

The Company is currently not materially exposed to foreign currency risk as the majority of its investments are quoted in Australian dollars.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The interest rate risk is measured using sensitivity analysis for financial reporting purposes. Exposure to interest rate risk relates to floating interest rates on cash held by the Company and also the Company's bank overdraft facility when utilised. The Company's policy allowed the Manager to gear the portfolio as permitted under the Management Agreement. Under the Management Agreement the Manager was permitted to gear the portfolio up to 50% of the value of the portfolio.

The Company had direct exposure to interest rate changes on the valuation and cash flows of its interest bearing assets and liabilities. However, it would also be indirectly affected by the impact of interest rate changes on the earnings of certain entities in which the Company invested and impact on the valuation of certain assets that used interest rates as an input in their valuation model. Therefore, the sensitivity analysis may not fully indicate the total effect on the Company's net assets of future movements in interest rates.

15 Financial risk management (continued)

(c) Market risk (continued)

(ii) Interest rate risk (continued)

Interest rate sensitivity analysis	30 June 2014	30 June 2013
Change in Profit		
– Increase in interest rate by 0.5%	79,744	-
– Decrease in interest rate by 0.5%	(79,744)	-
Change in Equity		
– Increase in interest rate by 0.5%	79,744	-
– Decrease in interest rate by 0.5%	(79,744)	-

The Company's exposure to interest rate risk and the effective weighted interest rates on classes of financial assets and liabilities are as follows:

2014	Weighted average effective interest	Floating interest rate \$	Fixed interest rate \$	Non-interest bearing \$	Total \$
Financial assets					
Cash and cash equivalents	3.08%	1,948,866	13,000,000	-	14,948,86
Trade and other receivables		-	-	157,035	157,035
Prepayments		-	-	16,387	16,387
Total financial assets		1,948,866	13,000,000	173,422	15,122,288
Financial liabilities					
Trade and other payables		-	-	1,405,758	1,405,758
Total financial liabilities		-	-	1,405,758	1,405,758
Net exposure		1,948,866	13,000,000	(1,232,336)	13,716,50

(d) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk primarily arises from investments in debt securities and from trading derivative products. Other credit risk arises from cash and cash equivalents, and deposits with banks and other financial institutions.

With respect to credit risk arising from the financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these investments as disclosed in the statement of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

The Company held no collateral as security or any other credit enhancements.

Management of the risk

The risk was managed as follows:

- Cash is only invested with highly rated international financial institutions in Australia;
- Receivable balances are monitored on an ongoing basis and the Company has no debts past due or impaired; and
- Investment transactions were carried out with a number of brokers, whose credit-standard is reviewed periodically by the Manager and limits were set on the amount that may be due from any one broker.

15 Financial risk management (continued)

(e) Concentrations of risk

Concentrations of risk arose when a number of financial instruments were entered into with the same counterparty, or where a number of counterparties were engaged in similar business activities, or activities in the same geographical region, or have similar economic conditions. These similarities would cause the counterparties' liabilities to meet the contractual obligations to be similarly affected by certain changes in the risk variables.

The concentrations of risk were monitored by the Manager to ensure they were within acceptable limits by reducing the exposures or by other means as deemed appropriate.

(f) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. This risk was controlled through the Company's investment in financial instruments, which under normal market conditions were readily convertible to cash.

In addition, the Company maintained sufficient cash and cash equivalents to meet normal operating requirements.

16 Key management compensation

(a) Names and Positions held of key management personnel in office as at the end of the financial year are:

Key Management Person

Gabriel Radzynski	Executive Director & Chairman
Matthew Kidman	Non-executive Director
Paul Jensen	Non-executive Director

(b) Aggregate compensation made to Key Management Personnel

	Short-term Benefits	Post-employment Benefits	Total
	\$	\$	\$
Year Ended 2014	42,777	2,223	45,000
Year Ended 2013	83,836	7,545	91,381

(c) Other transactions with key management personnel or entities related to them

From time to time directors of Sandon Capital Investments Limited, or their director related entities, could purchase or sell the Company's securities through the Australian Securities Exchange in accordance with the Company's security trading policy.

No Director has entered into a material contract with the Company since the last reporting date and there were no material contracts involving Directors' interests subsisting at the reporting date.

(i) Loan transactions and balances

The Company has not made, guaranteed or secured, directly or indirectly any loans to key management personnel or their related entities during the year (2013: \$Nil).

16 Key management compensation (continued)

(c) Other transactions with key management personnel or entities related to them (continued)

(ii) Shareholdings

Number of Shares held directly, indirectly or beneficially by Key Management Personnel, or by entities to which they were related, were:

	Balance 1 July 2013	Net Acquisition/ Disposal	Balance 30 June 2014
	\$	\$	\$
2014			
Shares			
Gabriel Radzynski [^] **	2,995	200,000	202,995
Paul Jensen ^{^**}	-	150,000	150,000
Matthew Kidman ^{^**}	-	100,000	100,000
John Robinson [*]	160,000	(160,000)	-
Lewis Bell [*]	1,949,123	(1,949,123)	-
Lynette Gearing [*]	2,000	(2,000)	-

Options

Gabriel Radzynski [^] **	-	200,000	200,000
Paul Jensen ^{^**}	-	150,000	150,000
Matthew Kidman ^{^**}	-	100,000	100,000
John Robinson [*]	-	-	-
Lewis Bell [*]	-	-	-
Lynette Gearing [*]	-	-	-

	Balance 1 July 2012	Net Acquisition/ Disposal	Balance 30 June 2013
	\$	\$	\$
2013			
John Robinson	160,000	-	160,000
Lewis Bell	1,949,123	-	1,949,123
Lynette Gearing	2,000	-	2,000

* Resigned 2 October 2013

[^] Appointed 2 October 2013

** Held through direct and indirect interests

(d) Sandon Capital Pty Ltd

The Company and Sandon Capital Pty Limited ("the Manager") entered into a management agreement dated 11 November 2013. A Director of the Company, Gabriel Radzynski, is also a Director of the Manager. The Manager is permitted to undertake investments that fall within the Company's investment strategy on the behalf of the Company and without the approval of the Company's Directors. Investments that are outside the Company's investment strategy will require Board approval. In circumstances where Board approval is required, the Manager will provide the Board with details of the relevant investment opportunity. The Board will review the information and will either give or withhold the approval required for the Company to make that investment. Assuming that the Board approves the investment, the Manager will then execute the investment on behalf of the Company.

The term of the management agreement is 10 years and neither the Company, nor the Manager, may terminate the Management Agreement upon the occurrence of a change of control event in respect of either party.

The Manager is entitled to be paid a monthly management fee equal to 0.1042% (exclusive of GST) of the gross value of the Portfolio calculated on the last business day of each month. In its capacity as Manager, Sandon Capital Pty Limited was paid \$255,728 (inclusive of GST) (2013: Nil). At 30 June 2014, \$40,965 remains payable by the Company (inclusive of GST) (2013: \$Nil).

16 Key management compensation (continued)

(d) Sandon Capital Pty Ltd (continued)

In return for the performance of its duties as Manager of the Company, the Manager is also entitled to be paid a performance fee calculated as a percentage of the increase in the value of the Portfolio for each performance period. The performance fee is equal to 20% (exclusive of GST) of the amount (if any) of portfolio over-performance (amount by which the increase in the value of the portfolio exceeds the benchmark performance) during the performance calculation period. The Manager has agreed with the company for the purposes of calculating its performance fee, it will only be entitled to a performance fee when the NTA per share of the Company is equal or greater than \$1 per share. No performance fees has been accrued for the year.

Sandon Capital Pty Limited receives a monthly fee in return for providing company accounting services to the Company. The fee paid and payable by the Company to Sandon Capital Pty Limited for the year ended 30 June 2014 was \$3,942 (inclusive of GST) (2013: \$Nil). At 30 June 2014, \$3,972 remains payable by the Company (inclusive of GST) (2013: \$Nil).

Terms and conditions of transactions with related parties

Transactions with related parties are made in accordance with the respective agreement. Outstanding balances at reporting period end are unsecured, interest free and settlement occurs in cash. No guarantees have been provided or received for any related party receivables or payables.

	As at 30 June 2014	As at 30 June 2013
	\$	\$

17 Cash flow information

(a) Reconciliation of Cash Flow from operating activities with profit after income tax

Profit from ordinary activities after income tax expense	299,108	1,735,969
Non-Cash Flows in Profit:		
Net (Gains) on Disposal of Investments	(101,149)	(1,506,202)
Unrealised Gains on Market Value Movement	(562,446)	-
Reinvested income	-	(1,409)
Net foreign currency gain	-	5,640
Increase in Income Tax Payable	43,494	-
Changes in assets and liabilities:		
(Increase) in Receivables	(51,468)	-
(Increase) in Other Assets	(121,953)	-
(Increase) in Investments held for trading	(17,807,913)	
Accrued expenses paid by the Scheme as agreed under the restructure	-	517,571
Net decrease in accrued income and prepaid expenses	-	693,702
(Decrease) in payables	96,048	(944,964)
Net Cash (outflow)/inflow from Operations	(18,206,280)	500,307

(b) Components of cash and cash equivalents

Cash at the end of the year as shown in the statement of cash flows is reconciled to the statement of financial position as follows:

Cash and cash equivalents	15,948,866	-
	15,948,866	-

18 Events occurring after the reporting period

The Board has declared a special dividend of 2.0 cents per share fully franked and will be paid on 6 November 2014.

Apart from the above, no events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

19 Contingencies and commitments

There are no contingent assets or liabilities as at 30 June 2014 (2013: Nil).

As at 30 June 2014, the Company had a commitment of \$250,000 in relation to an investment in Foundation Life.

20 Segment information

The Company has only one segment. The Company operates predominately in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and income from the sale of its financial assets.

Directors' Declaration

In accordance with a resolution of the Directors of Sandon Capital Investments Limited, the Directors of the Company declare that:

- (a) the financial statements and notes, as set out on pages 12 to 32 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards which is stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) in the Director's opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) the Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer of the Manager, Sandon Capital Pty Limited declaring that:
 - (i) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - (ii) the financial statements and notes for the financial year comply with the Accounting Standards; and
 - (iii) the financial statements and notes for the year give a true and fair view.

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



Gabriel Radzynski
Chairman

Sydney
28 August 2014

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**Independent Auditor's Report
To the Members of Sandon Capital Investments Limited
A.B.N. 31 107 772 467**

Report on the Financial Report

We have audited the accompanying financial report of Sandon Capital Investments Limited (the "Company"), which comprises the statement of financial position as at 30 June 2014, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state that, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

- a) the financial report of Sandon Capital Investments Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 9 of the directors' report for the year ended 30 June 2014. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the remuneration report of Sandon Capital Investments Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report for the year ended 30 June 2014 included on Sandon Capital Investments Limited's website. The Company's directors are responsible for the integrity of Sandon Capital Investments Limited's website. We have not been engaged to report on the integrity of Sandon Capital Investments Limited's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.



Moore Stephens Sydney
Chartered Accountants



Scott Whiddett
Partner

Dated in Sydney 28 August 2014

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Substantial shareholders (as at 19 August 2014)

The following have advised that they are a substantial shareholder of Sandon Capital Investments Limited. The holding of a relevant interest does not infer beneficial ownership. Where two or more parties have a relevant interest in the same shares, those shares have been included for each party.

Substantial ordinary shareholders as at ex-date	No. of shares	% of total
DYNASTY PEAK PTY LTD	1,751,475	5.00
HSBC CUSTODY NOMINEES (Australia) Limited	1,155,568	3.30

Distribution of shareholders (as at 19 August 2014)

Category	No. of shareholders
1 – 1,000	4,600
1,001 – 5,000	195
5,001 – 10,000	210
10,001 – 100,000	639
100,001 and over	39
	5,683

The number of shareholdings held in less than marketable parcels is 516.

Twenty largest shareholders - Ordinary shares (as at 19 August 2014)

Name	Number of ordinary shares held	Percentage of issued capital held
DYNASTY PEAK PTY LTD	1,751,475	5.00%
UBS WEALTH MANAGEMENT AUSTRALIA NOMINEES PTY LTD	1,185,052	3.38%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,155,568	3.30%
MR VICTOR JOHN PLUMMER	1,000,000	2.85%
DONWOOD PTY LTD	750,000	2.14%
RICHJICA PTY LTD	500,000	1.43%
ARMAS INVESTMENTS PTY LTD	400,000	1.14%
AUSTRALIAN EXECUTOR TRUSTEES LIMITED	355,001	1.01%
MR WILLIAM BLOMFIELD	300,000	0.86%
DR NICHOLAS MICHAEL ENGLISH & MRS SARAH ANNE ENGLISH & MISS ELIZMA JENNIFER ENGLISH	300,000	0.86%
MR BRUCE ROBERTSON CATTO & MRS GLENYS LOUISE CATTO	250,100	0.71%
ROBYN ROBINSON HOLDINGS PTY LTD	250,000	0.71%
MRS ROBYN ROBINSON	250,000	0.71%
MR MAXWELL TASMAN LACEY	249,642	0.71%
RUAPEHU HOLDINGS PTY LTD	200,000	0.57%
JE & FJ CUNNINGHAM SUPERANNUATION PTY LTD	200,000	0.57%
MR ROBERT FERGUSON & MRS JENNIFER FERGUSON & MS RACHEL FERGUSON	200,000	0.57%
BEST & MORGAN PTY LTD	200,000	0.57%
PIASTER PTY LTD	200,000	0.57%
INVESTMENT AND MONEY MANAGEMENT PTY LTD	184,269	0.53%
	9,881,107	28.21%

Stock Exchange Listing

Quotation has been granted for all of the ordinary shares of the Company on all Member Exchanges of the ASX Limited.

Unmarketable Parcel Share Sale Facility

The Company has announced on 4 July 2014 that it was implementing an unmarketable parcel share sale facility which provided eligible shareholders with the opportunity to sell their shareholding without incurring brokerage or handling costs.

The facility was available to shareholders who at 7:00pm (Sydney time) on 30 June 2014 (record date) were holders of shares with an aggregate market value of less than \$500 (an unmarketable parcel). This facility is now closed.

Corporate Governance Statement

The Board of Directors of Sandon Capital Investments Limited ("Sandon" or "the Company") is responsible for corporate governance. The Board has chosen to prepare the Corporate Governance Statement ("CGS") in accordance with the third edition of the ASX Corporate Governance Council's Principles and Recommendations under which the CGS may be made available on a Company's website.

Accordingly, a copy of the Company's CGS is available on the Sandon website at www.sandoncapital.com.au under the Listed Investment Company/Corporate Governance section.

Company particulars

Registered Office

Level 11, 139 Macquarie Street
Sydney NSW 2000
Telephone 02 8014 1188

Directors

Gabriel Radzynski – Chairman (Appointed 2 October 2013)
Paul Jensen – Independent Director (Appointed 2 October 2013)
Matthew Kidman – Independent Director (Appointed 2 October 2013)

Company Secretary

Mark Licciardo

Auditor

Moore Stephens Sydney
Level 15, 135 King Street
Sydney NSW 2000

Share Registrar

Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000
Telephone 1300 554 474
www.linkmarketservices.com.au