

MARKET ANNOUNCEMENT

NTA Backing as at 31 July 2017

Bentley Capital Limited (ASX Code: BEL) gives notice that its unaudited after-tax Net Tangible Assets (NTA) Backing as at 31 July 2017 was \$0.1619 per share.

NTA Backing for Period Ending:	% Change	Current Month 31 July 2017	Previous Month 30 June 2017
Pre-Tax NTA Backing per share	-0.92%	\$0.1619	\$0.1634
Post-Tax NTA Backing per share	-0.92%	\$0.1619	\$0.1634
Based on total issued share capital		76,127,918	76,127,918

The 31 July 2017 NTA backing includes a provision for \$0.381 million being the 0.50 cent per share fully franked dividend announced on 1 August 2017 and expected to be paid on 31 August 2017.

Bentley's July 2017 NTA monthly performance with the provision for dividend added back was +2.14%.

Bentley's NTA position comprises the following items:

NTA Components:	Current Month 31 July 2017 \$'m	Previous Month 30 June 2017 \$'m
Investment in Associate Entity – Keybridge Capital Limited	4.42	4.52
CBG Australian Equities Fund (Wholesale)	3.66	3.95
Non-current asset held for sale – Strike Resources Limited	2.10	2.21
ASX-listed securities	1.85	1.19
Cash	0.72	0.25
Net other assets/(liabilities)	(0.43)	0.32
Net Tangible Asset	12.32	12.44

Bentley's major securities holdings as at 31 July 2017 were:

Security	ASX Code/Description	Industry Sector	Value \$'m	% of NTA
Keybridge Capital Limited	KBC	Diversified	4.42	36%
CBG Fund	Unlisted managed fund	Diversified	3.66	29%
Strike Resources Limited	SRK	Materials	2.10	17%
Santos Limited	STO	Energy	1.19	10%
Pioneer Credit Limited	PNC	Diversified	0.51	4%
Other listed securities	Various	Various	0.15	1%



Notes:

- (1) The Directors have determined to change the accounting treatment/classification of its shareholding in [Keybridge Capital Limited](#) (ASX: [KBC](#)) from being a financial asset (valued based on the last bid price on ASX under Accounting Standard [AASB 13](#)) to an Associate entity (value under the equity method pursuant to Accounting Standard [AASB 128](#)). Under the equity method, the carrying amount of an investment in an Associate entity is at initial cost plus a share of the Associate entity's net profit or loss (after tax) for the financial year to the relevant balance date. Bentley has accounted for KBC as an Associate entity under the equity method with effect from 1 January 2017. Refer Note 21 (Investment in Associate Entity) on page 52 of Bentley's [2016 Full Year Report](#) for further information on the accounting policy in relation to Associate entities.

Bentley has accounted for its investment in KBC (31,700,000 shares being 19.96% of KBC's total issued share capital) (30 June: 31,700,000 shares; 19.96%) at a carrying value of \$4.52 million (being \$0.15 per share) at month end on this basis. Bentley notes that KBC's closing bid price on ASX was \$0.10 and its net asset backing was \$0.1680, as at month end (30 June 2017: \$0.10 share price and \$0.1797 net asset backing).

Bentley notes that the 30 June 2017 value has been restated in light of KBC restating its 30 June 2017 net asset backing value - refer KBC ASX announcement dated 14 August 2017: Net Asset Backing - July 2017.

- (2) With effect on 31 December 2016, the Directors determined to change the accounting treatment/classification of its shareholding in [Strike Resources Limited](#) (ASX: [SRK](#)) from being an investment in an Associate entity (accounted under Accounting Standard [AASB 128](#)) to being an investment in a Non-Current Asset Held For Sale (accounted under [AASB 5](#)). Refer Note 1 (Significant Accounting Policies) on page 20 of Bentley's [December 2016 Half Year Report](#) for further information on the accounting policy in relation to Non-Current Assets Held for Sale.

Bentley has accounted for its investment in SRK (52,553,493 shares being 36.16% of SRK's total issued share capital) (30 June: 52,553,493 shares; 36.16%) at a carrying value of \$2.10 million (based on the closing bid price on ASX of 4.0 cents per share) at month end on this basis (30 June: \$2.21 million; 4.2 cents).

- (3) Units invested in the CBG Australian Equities Fund (Wholesale) (**CBG Fund**) are valued at the audited unit price published by the investment manager, [CBG Asset Management Limited](#), as at month end - the unit price reflects the net asset backing of the fund; there is no buy/sell spread price; there is no recognition of realisation costs as there are no exit fees charged on redemption of units.
- (4) The post-tax NTA Backing per share figure is reported net of provision for tax liabilities on realised and unrealised gains on investments, in accordance with the Company's income tax accounting policy (refer Note 5 (Income Tax) at page 37 of the Company's [2016 Annual Report](#) released on ASX on 31 August 2016).
- (5) Bentley's current accounting policy is to recognise deferred tax assets arising from its carried forward tax losses and its unrealised loss on investments only to the extent of offsetting any deferred tax liabilities arising from its unrealised gains on investments.
- (6) Bentley's current accounting policy uses the first in-first out method of calculating gains or losses on sales of share investments.

FOR FURTHER INFORMATION:

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