PROFIT AND LOSS STATEMENTS

For the Year Ended 30 June 2000

	Note	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Operating profit/(loss) before abnormal items and income tax	3(a)	10,189,333	7,601,076	3,375,757	(2,367,850)
Abnormal items before income tax		-	-	-	-
Operating profit/(loss) before income tax		10,189,333	7,601,076	3,375,757	(2,367,850)
Income tax attributable to operating profit/(loss)	4(a)	(3,188,993)	(2,047,167)	352	30,258
Operating profit/(loss) after income tax		7,000,340	5,553,909	3,376,109	(2,337,592)
Outside equity interests in operating profit/(loss) after income tax		-	-	-	-
Operating profit/(loss) after income tax attributable to members of Menzies Court Holdings Limited		7,000,340	5,553,909	3,376,109	(2,337,592)
Accumulated (losses) at the beginning of the financial year		(1,372,735)	(6,926,644)	(9,602,396)	(7,264,804)
Total available for appropriation		5,627,605	(1,372,735)	(6,226,287)	(9,602,396)
Dividend paid	22	(2,890,296)	-	(2,890,296)	-
Accumulated profits/(losses) at the end of the financial year		2,737,309	(1,372,735)	(9,116,583)	(9,602,396)
Earnings per share	35				

The above profit and loss statements should be read in conjunction with the accompanying notes.

BALANCE SHEETS

As at 30 June 2000

	Note	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
CURRENT ASSETS					
Cash	5	304,379	991,569	221,803	920,980
Receivables	6	14,343,183	2,669,251	22,086,911	8,179,572
Inventories	7	7,137,779	8,198,668	54,065	-
Other	8	679,034	431,101	-	-
TOTAL CURRENT ASSETS		22,464,375	12,290,589	22,362,779	9,100,552
NON-CURRENT ASSETS					
Receivables	9	8,844,572	1,085,348	13,846,347	7,171,333
Inventories	10	26,605,636	23,352,731	-	-
Investments	11	2,991,554	-	2,313,987	2,313,987
Property, plant and equipment	12	2,858,719	230,407	162,499	119,976
Other	14	1,304,868	1,392,459	1,139,491	1,141,814
TOTAL NON-CURRENT ASSETS		42,605,349	26,060,945	17,462,324	10,747,110
TOTAL ASSETS		65,069,724	38,351,534	39,825,103	19,847,662
CURRENT LIABILITIES					
Accounts payable	15	8,686,443	4,126,730	4,658,555	1,700,921
Borrowings	16	1,662,700	5,562,700	-	3,900,000
Provisions	17	1,854,791	8,397	35,913	8,397
TOTAL CURRENT LIABILITIES		12,203,934	9,697,827	4,694,468	5,609,318
NON-CURRENT LIABILITIES					
Borrowings	18	22,063,394	8,144,166	18,775.077	3,188,349
Provisions	19	2,674,025	1,313,639	8,880	11,555
TOTAL NON-CURRENT LIABILITIES		24,737,419	9,457,805	18,783,957	3,199,904
TOTAL LIABILITIES		36,941,353	19,155,632	23,478,425	8,809,222
NET ASSETS		28,128,371	19,195,902	16,346,678	11,038,440
EQUITY					
Parent entity interest					
Share Capital	20	25,398,252	20,575,827	25,398,252	20,575,827
Reserves	21	65,009	65,009	65,009	65,009
Accumulated (losses)		2,737,309	(1,372,735)	(9,116,583)	(9,602,396)
Shareholders' equity attributable to members of Menzies Court Holdings Limited		28,200,570	19,268,101	16,346,678	11,038,440
Outside equity interests in controlled entities	23	(72,199)	(72,199)	-	-
TOTAL EQUITY		28,128,371	19,195,902	16,346,678	11,038,440

The above balance sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CASH FLOWS

For Year Ended 30 June 2000

	Note	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Cash Flows from Operating Activities					
Receipts from customers		20,343,768	14,953,819	4,134,253	1,310
Payments to suppliers and employees		(17,669,117)	(8,159,784)	(2,706,168)	(2,227,408)
		2,674,651	6,794,035	1,428,085	(2,226,098)
Interest received		44,065	34,197	13,817	30,958
Interest and other costs of finance paid		(1,843,525)	(1,541,192)	(1,964,811)	(7,631)
Net Cash Inflow/(Outflow) from operating activities	33	**875,191**	**5,287,040**	**(522,909)**	**(2,202,771)**
Cash Flows from Investing Activities					
Payment for purchase of controlled entity acquired during 1998, net of cash acquired		-	(1,852,960)	-	(1,867,960)
Payments for property, plant and equipment		(2,686,999)	(121,645)	(97,853)	(135,350)
Payment for option over Eastport		-	(1,000,000)	-	(1,000,000)
Payment for security bonds		-	(180,843)	-	-
Proceeds on surrender of security bonds		-	17,222	-	-
Loans to related parties		-	-	(32,618,264)	(9,183,778)
Repayment of loans by related parties		-	-	21,467,544	14,020,413
Investment in Joint Venture		(2,991,554)	-	-	-
Loan to Joint Venture		(8,035,183)	-	(2,741,552)	-
Net Cash (Outflow) from investing activities		**(13,713,736)**	**(3,138,226)**	**(13,990,125)**	**1,833,325**
Cash Flows from Financing Activities					
Proceeds from issues of shares		15,000	9,284,259	15,000	9,284,259
Payment of share issue and prospectus costs		(8,740)	(1,050,161)	(8,740)	(1,050,161)
Proceeds from borrowings		35,757,513	13,637,724	35,757,515	12,880,166
Repayment of borrowings		(21,838,287)	(24,017,284)	(20,175,787)	(20,743,095)
Dividend paid		(1,774,131)	-	(1,774,131)	-
Repayment of lease and hire purchase liabilities		-	(5,810)	-	-
Net cash Outflow/(Inflow) from financing activities		**12,151,355**	**(2,151,272)**	**13,813,857**	**371,169**
Net (Decrease)/Increase in Cash Held		(687,190)	(2,458)	(699,177)	1,723
Cash at beginning of the financial year		991,569	994,027	920,980	919,257
Cash at the End of the Financial Year	5	**304,379**	**991,569**	**221,803**	**920,980**
Non-cash financing and investing activities	34				

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2000

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

It is prepared in accordance with the historical cost convention and does not take into account changing money values or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated. Comparative information is reclassified where appropriate to enhance comparability.

(a) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Menzies Court Holdings Limited ("the Company" or "parent entity") as at 30 June 2000 and the results of all controlled entities for the year then ended. Menzies Court Holdings Limited and its controlled entities together are referred to in this financial report as the consolidated entity. The effects of all transactions between entities in the consolidated entity are eliminated in full. Outside equity interests in the results and equity of controlled entities are shown separately in the consolidated profit and loss statement and balance sheet respectively.

Where control of an entity is obtained during a financial year, its results are included in the consolidated profit and loss statement from the date on which control commences. Where control of an entity ceases during a financial year its results are included for that part of the year during which control existed.

(b) Income Tax

The consolidated entity adopts the liability method of tax-effect accounting whereby the income tax expense shown in the profit and loss statement is based on the operating profit before income tax adjusted for any permanent differences.

Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit. Income tax on cumulative timing differences is set aside to the deferred income tax or the future income tax benefit accounts at the rates which are expected to apply when those timing differences reverse.

(c) Acquisitions of Assets

The cost method of accounting is used for all acquisitions of assets regardless of whether shares or other assets are acquired. Cost is determined as the fair value of the assets given up at the date of acquisition plus costs incidental to the acquisition. Where shares are issued in an acquisition, the value of the shares is determined by reference to the fair value of the assets acquired, including goodwill where applicable.

(c) Acquisitions of Assets (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value at the date of acquisition. The discount rate used is the rate at which a similar borrowing could be obtained under comparable terms and conditions.

Where the fair value of the identifiable net assets acquired, including any liability for restructuring costs, exceeds the cost of acquisition, the difference, representing a discount on acquisition, is accounted for by reducing proportionately the fair values of the non-monetary assets acquired until the discount is eliminated.

(d) Land Held for Development and Resale

Land held for development and resale is stated at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and borrowing costs during development. When development is completed, borrowing and other holding charges are expensed as incurred. All land held for development and resale is regarded as inventory and is classified as such in the balance sheet. Land is classified as current only when sales are expected to occur within the next twelve months.

Borrowing costs included in the cost of any land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(e) Recognition of Revenue

Revenue arising from the sale of land held for resale is recognised in the profit and loss statement on the signing of a valid and unconditional contract. Revenue arising from unconditional sales contracts executed prior to the completion of the relevant development is recognised using the percentage of completion method.

(f) Property, Plant and Equipment

Property, plant and equipment are included at cost less any accumulated depreciation or amortisation. The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal.

Where the carrying amount of a non-current asset is greater than its recoverable amount the asset is revalued to its recoverable amount. Where net cash inflows are derived from a group of assets working together, recoverable amount is determined on the basis of the relevant group of assets. To the extent that a revaluation decrement reverses a revaluation increment previously credited to, and still included in the balance of, the asset revaluation reserve, the decrement is debited directly to that reserve. Otherwise the decrement is recognised as an expense in the profit and loss statement.

(f) Property, Plant and Equipment (Continued)

The expected net cash flows included in determining recoverable amounts of non-current assets are not discounted to their present values using a market-determined, risk adjusted discount rate.

The depreciable amount of all fixed assets including buildings and capitalised leasehold assets, but excluding freehold land, are depreciated over their useful lives commencing from the time the asset is held ready for use, using the diminishing value method. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The expected useful lives are as follows:

Buildings	40 years
Plant and equipment	5 to 10 years

(g) Investments

Controlled Entities

Investments in controlled entities are valued in the parent entity's financial statements at cost less amounts written off for permanent diminution in the value of investments.

Joint Venture

Interest in a joint venture entity is accounted for using the equity method. Under this method, the share of the profits or losses of the entity is recognised as revenue in the profit and loss statement and the share of movements in assets and liabilities is recognised in the appropriate categories in the balance sheet. Details relating to the entity are set out in note 30.

(h) Cash

For purposes of the statement of cash flows, cash includes deposits at call which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis, net of outstanding bank overdrafts.

(i) Trade and Other Creditors

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

(j) Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest, where applicable, is accrued over the period it becomes due and is recorded as part of other creditors.

Convertible notes are carried at their principal amounts, which represents the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of other creditors.

(k) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred, except where they are included in the costs of qualifying assets - refer note 1(d).

The capitalisation rate is used to determine the amount of borrowing costs to be capitalised and is the weighted average interest rate applicable to the entity's outstanding borrowings during the year, in this case 9.0% p.a. (1999 : 8.75% p.a.).

Borrowing costs include:

- interest on bank overdrafts and short-term and long-term borrowings
- amortisation of discounts or premiums relating to borrowings; and
- amortisation of ancillary costs incurred in connection with the arrangement of borrowings.

(l) Employee Entitlements

Liabilities for wages and salaries, annual leave and sick leave are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of the employees' services to that date.

(m) Earnings Per Share

(1) Basic Earnings Per Share

Basic earnings per share is determined by dividing the operating result after income tax and preference share dividends attributable to members of Menzies Court Holdings Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(2) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

(n) Intangible Assets - Goodwill

On acquisition of some, or all, of the assets of another entity or, in the case of an investment in a controlled entity, on acquisition of some, or all, of the equity of that controlled entity, the identifiable net assets acquired are measured at fair value. The excess of the fair value of the cost of acquisition over the fair value of the identifiable net assets acquired, including any liability for restructuring costs, is brought to account as goodwill and amortised on a straight line basis over five years, being the period during which the benefits are expected to arise. Where the carrying amount of goodwill is assessed to be greater than its recoverable amount a provision is raised to reduce it to its recoverable amount.

The cost of acquisition is discounted to present value as described in note 1(c) where settlement of any part is deferred.

(o) Transaction Costs Arising on the Issue of Equity Instruments

In accordance with Urgent Issues Group Abstract 23: Transaction Costs Arising on the Issue of Equity Instruments these transaction costs have been recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate.

During the year $8,740 has been incurred in costs relating to the issue of Equity Instruments (1999: $1,023,224) and has been recognised as a reduction in equity.

(p) Receivables

All trade and other debtors are recognised at the amounts receivable as they are due for settlement no more than 120 days from the date of recognition.

Collectibility of trade debtors is reviewed on an ongoing basis. There is no need to raise a provision for bad debts in respect to land sale debtors as the entity retains title to the land under a contract of sale until settlement has been effected. In respect to other debtors a provision for doubtful debts is raised when some doubt as to collection exists.

2. OPERATING REVENUE

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Sales revenue	31,758,683	18,443,395	-	-
Other revenue				
Dividend received	-	-	2,890,296	-
Interest received/receivable	44,065	50,085	13,817	30,658
Intercompany loan recovered	-	-	20,000	40,264
Intercompany management fees	-	-	4,095,662	-
Other	39,471	1,310	4,580	391,310
	31,842,219	18,494,790	7,024,355	462,532

3. OPERATING PROFIT

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
(a) Operating profit before abnormal items and income tax is arrived at after crediting and charging the following specific items:				
Credits				
Interest revenue	44,065	50,085	13,817	30,958
Intercompany loan recovered	-	-	20,000	40,264
Charges				
Borrowing costs:				
Interest and finance charges paid / payable	1,483,387	1,954,621	1,342,671	390,000
Less : amount capitalised	(1,059,773)	(1,585,945)	(957,156)	-
Borrowing costs expensed	423,614	368,676	385,515	390,000
Net loss on disposal of property, plant and equipment	3,352	8,609	3,352	27
Depreciation:				
Buildings	2,927	2,785	-	-
Plant and equipment	52,408	25,468	51,978	17,286
Total Depreciation	58,687	28,253	55,330	17,286
Amortisation:				
Plant and equipment under finance leases	-	103	-	-
Goodwill	-	-	-	-
Total Amortisation	-	103	-	-
Rental expense	71,176	32,498	71,176	31,157
Net expense from movements in provision for employee entitlements	27,516	(35,057)	27,516	(35,057)

4. INCOME TAX

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
(a) The aggregate amount of income tax attributable to the financial year differs from the amount calculated on the operating profit/(loss). The differences are reconciled as follows:				
Operating profit/(loss) before income tax	10,189,333	7,601,076	3,375,757	(2,367,850)
Income tax calculated @ 36%	3,668,160	2,736,387	1,215,273	(852,426)
Tax effect of permanent differences:				
Rebateable dividends	-	-	(1,040,507)	-
Other non-deductible items	3,832	50,568	(3,368)	36,074
Income tax adjusted for permanent differences	3,671,992	2,786,955	171,398	(816,352)
Tax losses transferred to a controlled entity	-	-	-	891,821
Net adjustment to deferred income tax liabilities and assets to reflect decrease in company tax rate to 34%	(147,566)	-	1,801	-
Benefit of tax losses of prior years recouped	(335,433)	(739,788)	(173,551)	(105,727)
Attributable to operating profit / (loss)	3,188,993	2,047,167	(352)	(30,258)
Income tax attributable to operating profit comprises:				
Current taxation provision	1,818.878	-	-	-
Deferred income tax provision	1,360,386	1,313.639	(2,675)	11,555
Future income tax benefit	9,729	733,528	2,323	(41,813)
Under provision in previous year	-	-	-	-
	3,188,993	2,047,167	(352)	(30,258)
(b) The directors estimate that the potential future income tax benefit at 30 June 2000 in respect of tax losses not brought to account is:	1,051,964	1,249,744	-	-
(c) Franking credits Franking credits available for the subsequent financial year	3,530,763	-	-	-

This benefit for tax losses will only be obtained if:

(i) the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised; or

(ii) the losses are transferred to an eligible entity in the consolidated entity; and

(iii) the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and

(iv) no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deductions for the losses.

5. CURRENT ASSETS - CASH

	Consolidated		Parent Entity	
	2000	1999	2000	1999
	$	$	$	$
Cash at bank and on hand	304,379	991,569	221,803	920,980

6. CURRENT ASSETS - RECEIVABLES

Trade debtors	14,373,941	2,695,824	-	-
Less: Provision for doubtful debts	(84,324)	(84,324)	-	-
	14,289,617	2,611,500	-	-
Loans to controlled entities	-	-	22,033,345	8,143,643
Other debtors	53,566	57,751	53,566	35,929
	14,343,183	2,669,251	22,086,911	8,179,572

Other debtor amounts usually arise from transactions outside the operating activities of the consolidated entity. Interest is not normally charged on these amounts. Collateral is not normally obtained.

7. CURRENT ASSETS - INVENTORIES

Land held for development and resale				
– at cost of acquisition	2,132,487	3,563,069	-	-
– capitalised development costs	4,697,012	2,473,586	54,065	-
– other costs	308,280	2,162,013	-	-
	7,137,779	8,198,668	54,065	-

8. CURRENT ASSETS - OTHER

Capitalised borrowing costs	135,359	148,218	-	-
Deposits held from customers in respect of land sales (see also Note 15)	543,675	282,883	-	-
	679,034	431,101	-	-

9. NON-CURRENT ASSETS - RECEIVABLES

Loans to controlled entities	-	-	7,868,165	9,594,070
Less: Provision for non-recovery	-	-	(2,402,737)	(2,422,737)
Loan to joint venture	8,380,919	-	8,380,919	-
	8,380,919	-	13,846,347	7,171,333
Trade debtors	58,200	705,000	-	-
Other debtors	405,453	380,348	-	-
	8,844,572	1,085,348	13,846,347	7,171,333

Further information relating to the other debtors is set out in Note 6.

Further information regarding loans to controlled entities is set out in Note 28.

10. NON-CURRENT ASSETS - INVENTORIES

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Land held for development and resale				
- at cost of acquisition	18,455,248	21,615,563	-	-
- capitalised development costs	4,859,339	687,435	-	-
- other costs	3,291,049	1,049,733	-	-
	26,605,636	23,352,731	-	-

11. NON-CURRENT ASSETS - INVESTMENTS

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Shares in controlled entities				
- at cost (Note 29)	-	-	3,863,987	3,863,987
Less: Provision for non-recovery	-	-	(1,550,000)	(1,550,000)
Joint Venture	2,991,554	-	-	-
	2,991,554	-	2,313,987	2,313,987

12. NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Buildings - at cost	130,865	111,726	-	-
Less: Accumulated depreciation	(6,046)	(3,119)	-	-
	124,819	108,607	-	-
Plant and equipment - at cost	2,820,618	156,653	231.749	137,791
Less: Accumulated depreciation	(86,718)	(34,853)	(69,250)	(17,815)
	2,733,900	121,800	162,499	119,976
Total property, plant and equipment	2,858,719	230,407	162,499	119,976

13. NON-CURRENT ASSETS - INTANGIBLES

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Goodwill	2,173,503	2,173,503	-	-
Provision against carrying value	(1,997,478)	(1,997,478)	-	-
Less: Accumulated amortisation	(176,025)	(176,025)	-	-
	-	-	-	-

14. NON-CURRENT ASSETS - OTHER

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Capitalised borrowing costs	39,476	117,338	-	-
Future income tax benefit	165,392	175,121	39,491	41,814
Eastport option fee (a)	1,100,000	1,100,000	1,100,000	1,100,000
	1,304,868	1,392,459	1,139,491	1,141,814

(a) At the time of the Port Bouvard acquisition, the vendors granted the company an option to acquire an existing option over the Eastport precinct of the Port Bouvard Project for an initial option fee of $100,000. A further $1,000,000 non refundable option fee has subsequently been paid.

Under the Eastport call option agreement, a total consideration of $10,000,000 is payable comprising the original non-refundable option fees of $1,100,000 (which have been paid) and a final payment of $8,900,000 on exercise of the option on or before 18 May 2001.

15. CURRENT LIABILITIES - ACCOUNTS PAYABLE

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Trade creditors	4,168,324	1,064,166	4,156,549	1,059,966
Other creditors and accruals	4,518,119	3,062,564	502,006	640,955
	8,686,443	4,126,730	4,658,555	1,700,921
Other creditors and accruals includes amounts due to customers representing deposits held in respect of land sales (see also Note 8):-	535,975	282,883	-	-

16. CURRENT LIABILITIES - BORROWINGS

Loans - secured (a)	1,662,500	1,662,500	-	-
Loans - unsecured (b)	200	200	-	-
Convertible notes (c)	-	3,900,000	-	3,900,000
	1,662,700	5,562,700	-	3,900,000

(a) Secured loans comprise:

Wannanup Vendor Unitholders - $1,662,500 (30 June 1999: $1,662,500). A total of $4,987,500 was owed to the Vendor Unitholders of Wannanup Development Unit Trust at 30 June 2000 (30 June 1999: $6,650,000). This amount is secured by a mortgage over land held by Wannanup Development Unit Trust and is due and payable in three remaining annual instalments of $1,662,500.

(b) Unsecured loans comprise:

$200 (30 June 1999: $200) owed to Promtek (Australia) Pty Ltd and Phoenix Trust.

(c) The company had no convertible notes on issue at 30 June 2000 (30 June 1999: 30,000,000). The convertible notes expired on 1 November 1999 and 28,461,541 of the notes were converted into shares and March 2001 options in accordance with the terms and conditions of the convertible note deeds.

17. CURRENT LIABILITIES - PROVISIONS

Provision for holiday pay	35,913	8,397	35,913	8,397
Provision for income tax	1,818,878	-	-	-
	1,854,791	8,397	35,913	8,397

18. NON-CURRENT LIABILITIES - BORROWINGS

Loans - secured (a)	22,063,394	8,144,166	18,738,394	3,156,666
Loans from controlled entities	-	-	36,683	31,683
	22,063,394	8,144,166	18,775,077	3,188,349

(a) Secured loans comprise:

(i) $3,325,000 (1999: $4,987,500) due to the Vendor Unitholders of Wannanup Development Unit Trust as detailed in Note 16(a) above. No interest is payable on these loans.

(ii) $18,738,394 (1999: $3,156,666) loan facility from St George Bank. This facility is secured by registered first mortgages and debenture charges over the Port Bouvard land titles. The facility is repayable on 31 October 2001. Interest rates on the loan facility are variable and at year end was 9.00% p.a.

19. NON-CURRENT LIABILITIES - PROVISIONS

Provisions for deferred income tax	2,674,025	1,313,639	8,880	11,555

20. SHARE CAPITAL

	2000 Number	1999 Number	2000 $	1999 $
(a) Paid up capital				
Ordinary shares fully paid	150,449,335	116,053,240	25,398,252	20,575,827

(b) Movements in issued and paid up ordinary share capital of the company:

Date	Details	Number of Shares	$
01/07/98	Opening balance	50,931,944	7,639,792
09/07/98	Shares issued to satisfy debt pursuant to the CP Development and Hamsted Share Sale Agreement	18,700,000	4,675,000
04/11/98	Rights issue to fund working capital and debt repayment	46,421,296	9,284,259
	Less: Share issue expenses	-	(1,023,224)
30/06/99	Balance	116,053,240	20,575,827
01/11/99	Shares issued on conversion of convertible notes	28,461,541	3,700,000
07/01/00	Shares issued on exercise of December 1999 options	60,000	15,000
14/01/00	Dividend Reinvestment plan issues	5,874,554	1,116,165
	Less: Share issue expenses	-	(8,740)
30/06/00	Closing balance	150,449,335	25,398,252

21. RESERVES

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Composition:				
Share option reserve	65,009	65,009	65,009	65,009

22. DIVIDENDS

	Parent Entity	
	2000 $	1999 $
Final dividend of 2 cents (1999: nil) per fully paid share		
Unfranked	2,890,296	-
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan were as follows:		
Paid in cash	1,774,131	-
Satisfied by issue of shares	1,116,165	-
	2,890,296	-
Franking credits available for subsequent financial years	3,530,763	-

23. OUTSIDE EQUITY INTERESTS IN CONTROLLED ENTITIES

	Consolidated 2000 $	Consolidated 1999 $
Interest in:		
Share capital	60	60
Accumulated losses	(72,259)	(72,259)
	(72,199)	(72,199)

24. REMUNERATION OF DIRECTORS

	Directors of Entities in the Consolidated Entity 2000 $	Directors of Entities in the Consolidated Entity 1999 $	Directors of Parent Entity 2000 $	Directors of Parent Entity 1999 $
Income paid or payable, or otherwise made available, to directors by entities in the consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities	745,000	540,674	745,000	540,674
The numbers of parent entity directors whose total income from the parent entity or related parties was within the specified bands are as follows:				
$0 - $9,999			-	1
$20,000 - $29,999			-	1
$30,000 - $39,999			1	-
$50,000 - $59,999			1	-
$60,000 - $69,999			1	-
$70,000 - $79,999			-	2
$370,000 - $379,999			-	1
$600,000 - $609,999			1	-

Remuneration of Directors includes the value of options issued under the Employee Share Option Plan as required by Statute. The values have been derived using the Black-Scholes option pricing model. However, as indicated in the Directors' report, the value of these options has reduced significantly since the date of issue.

25. REMUNERATION OF EXECUTIVES

	Executive Officers of the Consolidated Entity		Executive Officers of the Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Remuneration received, or due and receivable, from entities in the consolidated entity and related parties by Australian based executive officers (including directors) whose remuneration was at least $100,000:				
Executive officers of the parent entity	777,588	522.940	777,588	522,940
The numbers of Australian based executive officers (including directors) whose remuneration from entities in the consolidated entity and related parties was within the specified bands are as follows:				
$150,000 - $159,999	-	1	-	1
$170,000 - $179,999	1	-	1	-
$370,000 - $379,999	-	1	-	1
$600,000 - $609,999	1	-	1	-

Remuneration of Executives includes the value of options issued under the Employee Share Option Plan as required by Statute. The values have been derived using the Black-Scholes option pricing model. However, as indicated in the Directors' report, the value of these options has reduced significantly since the date of issue.

26. REMUNERATION OF AUDITORS

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Remuneration for audit or review of the financial reports of the parent entity or any entity in the consolidated entity:				
Auditors of parent entity:				
Parent entity	37,946	38,165	37,946	38,165
Controlled entities	-	-	-	-
	37,946	38.165	37,946	38,165
Remuneration for other services by the parent entity auditors:				
Parent entity	11,136	10,200	11,136	10,200
Controlled entities	-	-	-	-
	11,136	10,200	11,136	10,200

27. CONTINGENT LIABILITIES

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Details and estimates of maximum amount of contingent liabilities are as follows:				
Guarantees				
Secured guarantees by the parent entity in respect of loans of controlled entities. Secured by registered mortgages over significant parts of the Port Bouvard Project land.	-	-	4,987,500	6,650,000
A controlled entity has an indemnity guarantee in favour of the Australian Securities and Investments Commission for the operation of a Dealers Licence.	20,000	20,000	-	-
A controlled entity has provided guarantees in respect of certain undertakings in respect of the Port Bouvard Project, in favour of:				
The City of Mandurah	467,352	459,726	-	-
Water Corporation	165,000	115,000	-	-
	652,352	594,726	4,987,500	6,650,000

The parent entity and a controlled entity have provided security in the form of guarantees and fixed and floating charges for a joint venture as disclosed in note 30.

No material losses are anticipated in respect of any of the above contingent liabilities.

28. RELATED PARTIES

Directors

The names of persons who were directors of Menzies Court Holdings Limited at any time during the financial year are as follows: RJ Neumann, MD Perrott, RW Crabb and IA Macliver.

Remuneration and Retirement Benefits

Information on remuneration of directors is disclosed in Note 24.

Transactions of Directors and Director-Related Entities Concerning Shares or Share Options

Aggregate numbers of shares of Menzies Court Holdings Limited acquired by directors or their director-related entities from the Company were 2,409,879 through the dividend re-investment plan (1999: 10,525,687 from rights issue). Aggregate numbers of options of Menzies Court Holdings Limited acquired by directors or their director-related entities from the Company were 4,500,000 through the employee share option scheme (1999: 10,525,687 from rights issue).

All transactions relating to shares and options of the Company were on the same basis as similar transactions with other shareholders.

Aggregate number of shares and share options of Menzies Court Holdings Limited held directly, indirectly or beneficially by directors or their director-related entities at balance date were 26,469,323 and 14,018,692 (1999: 25,432,008 and 10,475,692) respectively.

Loans from Directors and Director Related Entities

No loans were advanced to the Company by Riverman Holdings Pty Ltd, a company controlled by Mr Neumann, during the year (1999: $2,000,000). The $2,000,000 advanced by Riverman Holdings Pty Ltd in 1998/99 was repaid in full on 6 November 1998 together with interest totalling $57,782. The loans were unsecured, payable on demand and accrued interest at a rate of 7.5% per annum.

No loans were advanced to the Company by Arjay Pty Ltd, an entity associated with Mr Perrott, during the year (1999: $150,000). The $150,000 advanced by Arjay Pty Ltd in 1998/99 was repaid in full on 6 November 1998 together with interest of $277. The loan was unsecured, payable on demand and accrued interest at a rate of 7.5% per annum.

Other Transactions with Directors and Director-related Entities

(All transactions were made under normal commercial terms and conditions unless otherwise stated)

During the 1999 financial year Mr Perrott agreed to purchase one lot in stage 2 to the value of $190,000 being the Company's normal selling price for the agreed purchase price of $142,500. It was also agreed that the discount given would be in lieu of future director fees. As a result Mr Perrott has not been paid any director fees since 1 April 1999 and will not be paid any future director fees until the entire discount has been offset in August 2000.

During the 1999 financial year Mr Macliver agreed to purchase one lot in stage 2 to the value of $210,000 being the Company's normal selling price for the agreed purchase price of $157,500. It was also agreed that the discount given would be in lieu of future director fees. As a result Mr Macliver has not been paid any director fees since 1 April 1999 and will not be paid any future director fees until the entire discount has been offset in May 2001.

During the 2000 financial year Mr Neumann agreed to purchase one villa in Bouvard Island to the value of $560,000 being the Company's normal selling price for the agreed purchase price of $420,000. During the 1999 financial year Mr Neumann agreed to purchase one lot in stage 2 to the value of $240,000 being the Company's normal selling price for the agreed purchase price of $180,000. The discounts are considered part of Mr Neumann's remuneration for these years.

The above lots were sold at the published selling prices. The discounts were worked out after receiving independent advice as an effective way of remunerating the directors without increasing the cost to the Company had they been remunerated in the normal way. In addition, the directors were entitled to and granted the 5% shareholders' discount on the purchase of these blocks.

During the year Mr Neumann and Mr Perrott acted as personal guarantors of the Company to St George Bank in order to facilitate an extension of the Company's finance facilities. These guarantees had been required by St George Bank as additional security for the increase of loan facilities from $19,000,000 to $25,000,000. A fee of $25,000 each was paid to Mr Neumann and Mr Perrott for providing their personal guarantee. During 1999 $50,000 each was paid to Mr Neumann and Mr Perrott for providing their personal guarantees for the original $19,000,000 loan facility.

During the 1999 financial year the Company purchased a Range Rover for company use from Mr Neumann at its market value of $75,000. No purchases of this nature were made during the current financial year.

Office management services, which include office facilities, accounting and company secretarial services, were provided during the year from Perrott Management Services, an entity associated with Mr Perrott, to the value of $299,701 (1999: $180,900).

No consulting services pertaining to financial, legal and corporate affairs of the Company were provided by Mr Crabb during the year (1999: $15,000).

No consulting services pertaining to corporate affairs of the Company were provided by Mr Macliver during the year (1999: $15,000).

Aggregate amounts receivable and payable to directors and their director-related entities at balance date:

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Current receivables	-	456,000	-	-
Current liabilities	54,549	-	54,549	-

Wholly-owned Group

The wholly-owned group consists of Menzies Court Holdings Limited and its wholly-owned controlled entities. Ownership interests in these controlled entities are set out in Note 29.

Transactions between Menzies Court Holdings Limited and related parties in the wholly-owned group during the year ended 30 June 2000 consisted of loans advanced by Menzies Court Holdings Limited and loans repaid to Menzies Court Holdings Limited. These loans are interest free and have no fixed repayment terms.

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Transaction totals for the year:				
Administration fee	-	-	4,095,662	-
Dividends received	-	-	2,890,296	-
Loans advanced to controlled entities	-	-	33,383,001	25,199,849
Loan repayments from controlled entities	-	-	21,224,204	14,356,303
Reduction in provision for non-recoverability	-	-	20,000	40,264
Current receivables:				
Controlled entities (loans)	-	-	22,033,345	8,143,643
Non-current receivables:				
Controlled entities (loans)	-	-	7,868,165	9,594,070
Provision against non-recoverability	-	-	(2,402,737)	(2,422,737)
	-	-	5,465,428	7,171,333
Non-current liabilities:	-	-	36,683	31,683

At the end of the year the Parent Entity transferred $417,129 of tax losses at nil consideration to a controlled entity (1999: $2,477,281).

Controlling Entities

The ultimate parent entity in the wholly-owned group is Menzies Court Holdings Limited.

29. INVESTMENT IN CONTROLLED ENTITIES

Name of Entity	Country of Incorporation	Class of Shares	Equity Holding 2000 %	Equity Holding 1999 %	Cost of Parent Entity Investment 2000 $	Cost of Parent Entity Investment 1999 $
Menzies Court Ltd	Australia	Ordinary	100	100	1,687,005	1,687,005
Express Home Loans Australia Pty Ltd *	Australia	Ordinary	100	100	-	-
Midland Court Mortgage Finance (NSW) Pty Ltd *	Australia	Ordinary	100	100	-	-
Thunderlara Films Pty Ltd *	Australia	Ordinary	60	60	-	-
CP Development Pty Ltd	Australia	Ordinary	100	100	2,161,960	2,161,960
Wannunup Development Nominees Pty Ltd *	Australia	Ordinary	100	100	-	-
Hamsted Pty Ltd *	Australia	Ordinary	100	100	2	2
Eastport Marina Pty Ltd *	Australia	Ordinary	100	100	15,020	15,020
					3,863,987	3,863,987

* These controlled entities are not required to prepare audited accounts.

30. INTEREST IN JOINT VENTURE

A controlled entity has entered into a joint venture called Stirling Lakes to develop land for residential housing. The controlled entity has a 40% interest in the joint venture and is entitled to 40% of the profits from the joint venture.

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Profit and Loss				
No profit has been recognised in the joint venture, as the project is in its infancy and the Directors consider it to be prudent not to do so. Therefore, the loss in the joint venture incurred to date has not been taken into account in the results of the Company or the consolidated entity for the current year due to the immateriality thereof.				
Balance Sheet				
The Company and consolidated entity's share of the joint venture's assets and liabilities are as follows:				
Current Assets				
Inventories	20,857,000	-	-	-
Current Liabilities				
Accounts Payable	(17,939)	-	-	-
Non-current Liabilities				
Borrowings	(20,870,940)	-	-	-
Total Liabilities	(20,888,879)	-	-	-
Share of net liabilities	(31,879)	-	-	-
Share of post-acquisition retained losses				
Share of the joint venture's retained profits at the beginning of the year	-	-	-	-
Share of net losses of the joint venture	(31,884)	-	-	-
Share of the joint venture's retained profits at the end of the year	(31,884)	-	-	-

Movement in carrying amount of the joint venture

The carrying amount has not moved in the current period as no loss has been recognised, as detailed above.

Security for Borrowings

The parent entity and a controlled entity have provided joint and several guarantees and indemnities in respect to the joint venture with - National Australia Bank ($9,960,000); The Bank of Western Australia ($4,300,000) and RAC Finance ($1,410,000).

The parent entity and a controlled entity have provided a mortgage over their shares and a fixed and floating charge over present and future rights, property and undertakings of the entities to St George Bank for $11,138,000.

In addition Mr RJ Neumann and Mr MD Perrott have provided joint and several guarantees and indemnities for the debts of the parent entity to the value of $2,500,000 each.

31. EVENTS OCCURRING AFTER BALANCE DATE

Since the end of the financial year a placement of 7,329,714 shares has been made.

No other matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect:

(a) the consolidated entity's operations in future financial years; or

(b) the results of those operations in future financial years; or

(c) the consolidated entity's state of affairs in future financial years.

32. SEGMENT INFORMATION

The Company and consolidated entity's operations were predominantly in the land development industry in Australia during the financial year.

	Segment Revenues		Segment Assets		Segment Profit/(Loss)	
	2000	1999	2000	1999	2000	1999
	$	$	$	$	$	$
Industry Segments						
Mortgage origination	37,910	62,104	139,177	90,442	36,988	45,022
Land development	31,804,309	18,432,686	64,930,550	38,261,092	10,152,346	7,556,054
	31,842,219	18,494,790	65,069,727	38,351,534	10,189,334	7,601,076

33. RECONCILIATION OF OPERATING PROFIT AFTER INCOME TAX TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Operating profit/(loss) after income tax	7,000,340	5,553,909	3,376,109	(2,337,592)
Depreciation and amortisation	55,335	28,356	51,978	17,286
Net loss on sale of property, plant and equipment	3,352	8,609	3,352	27
Intercompany loans recovered previously provided for	-	-	-	(40,264)
Change in operating assets and liabilities attributable to operating activities net of the effects of the purchase of controlled entities:				
Provision for doubtful debts	-	-	-	(5,929)
(Increase) in receivables	(11,027,235)	(2,429,429)	(6,764,567)	-
(Increase) in inventories	(2,217,019)	(1,982,824)	-	-
(Increase)/decrease in other assets	(512,725)	-	28,482	-
(Increase)/decrease in future income tax benefit	9,729	(175,121)	2,323	(41,814)
Increase/(decrease} in provision for deferred income tax	1,360,386	1,313,639	(2,675)	11,555
Increase in provision for income tax payable	1,818,871	-	-	-
Increase in trade creditors	4,356,641	3,004,958	2,754,573	229,017
Increase/(decrease) in other provisions	27,516	(35,057)	27,516	(35,057)
Net cash inflow/(outflow) from operating activities	875,191	5,287,040	(522,909)	(2,202,771)

34. NON-CASH FINANCING AND INVESTING ACTIVITIES

	Consolidated		Parent Entity	
	2000 $	1999 $	2000 $	1999 $
Conversion of Convertible Notes to equity	3,700,000	-	3,700,000	-
Conversion of Convertible Notes to an unsecured loan	200,000	-	200,000	-
Shares and options issued in parent entity to satisfy debt pursuant to the CP Development and Hamsted Share Sale Agreement	-	4,675,000	-	4,675,000
Repayment of BankWest loan by means of refinancing with St George Bank	-	10,019,594	-	10,019,594

35. EARNINGS PER SHARE

	Consolidated	
	2000 Cents	1999 Cents
Basic earnings per share	5.02	5.44
Diluted earnings per share	4.81	4.40
Weighted average number of ordinary shares outstanding during the year (adjusted for bonus elements in ordinary shares issued during the year) used in the calculation of basic earnings per share.	139,455,806	102,021,240

Information concerning the Classification of Securities:

(a) Options

All Options on issue at 30 June 2000 are not considered to be potential ordinary shares as it is the directors' view that based on conditions at the reporting date it is unlikely that those options would have been exercised. These options have therefore not been included in the determination of diluted earnings per share. The options have also not been included in the determination of basic earnings per share. Details relating to the options are set out in note 3.15 of the Directors' Report.

(b) Convertible Notes

Convertible notes that were on issue were considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. The notes have not been included in the determination of basic earnings per share. Details relating to the notes are set out in note 16(c).

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $

36. CREDIT AND FINANCE FACILITIES

Unrestricted access was available at balance date to the following lines of credit:

	Consolidated 2000 $	Consolidated 1999 $	Parent Entity 2000 $	Parent Entity 1999 $
Bank guarantee and loan facilities	25,000,000	19,000,000	25,000,000	19,000,000
Used at balance date:				
Bank guarantee and loan facilities	24,358,246	10,381,392	24,358,246	10,381,392
Unused at balance date:				
Bank guarantee and loan facilities	641,754	8,618,608	641,754	8,618,608

The bank guarantee and loan facilities may be drawn at any time in the form of bank guarantees or loan funds. The current interest rates on the loan funds at year end was 9.0% pa (1999: 7.75% p.a.) and guarantee fees were charged at the rate of 3.0% p.a. (1999: 3.0% p.a.).

37. FINANCIAL INSTRUMENTS

(a) Credit Risk Exposures

The credit risk on financial assets of the consolidated entity which have been recognised on the balance sheet is generally the carrying amount, net of any provision for doubtful debts.

(b) Interest Rate Exposures

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

2000	Note	Floating Interest Rate	Fixed Interest Rate maturing in less than 1yr	Fixed Interest Rate maturing in 1-5yrs	Non-interest Bearing	Total
Financial Assets		$	$	$	$	$
Cash and deposits	5	304,379	-	-	-	304,379
Receivables	6,9	20,000	-	-	23,167,755	23,187,755
Other	8	-	-	-	543,675	543,675
		324,379	-	-	23,711,430	24,035,809
Weighted average interest rate:		4.5%				

2000	Note	Floating Interest Rate	Fixed Interest Rate maturing in less than 1yr	Fixed Interest Rate maturing in 1-5yrs	Non-interest Bearing	Total
Financial Liabilities		$	$	$	$	$
Trade and other creditors	15	-	-	-	8,686,443	8,686,443
Convertible notes	16	-	-	-	-	-
Bank Loans	18	18,738,394	-	-	-	18,738,394
Other Loans	16,18	-	-	-	4,987,500	4,987,500
		18,738,394	-	-	13,673,943	32,412,337
Weighted average		9.0%				
Net financial liabilities		(18,414,015)	-	-	10,037,487	(8,376,528)

37. FINANCIAL INSTRUMENTS (Continued)

1999	Note	Floating Interest Rate	Fixed Interest Rate maturing in less than 1yr	Fixed Interest Rate maturing in 1-5yrs	Non-interest Bearing	Total
Financial Assets		$	$	$	$	$
Cash and deposits	5	991,569	-	-	-	991,569
Receivables	6,9	20,000	-	-	3,734,601	3,754,601
Other	8	-	-	-	282,883	282,883
		1,011,569	-	-	4,017,484	5,029,053
Weighted average interest rate:		3.2%				

1999	Note	Floating Interest Rate	Fixed Interest Rate maturing in less than 1yr	Fixed Interest Rate maturing in 1-5yrs	Non-interest Bearing	Total
Financial Liabilities		$	$	$	$	$
Trade and other creditors	15	-	-	-	4,126,730	4,126,730
Convertible notes	16	-	3,900,000	-	-	3,900,000
Bank Loans	18	3,156,666	-	-	-	3,156,666
Other Loans	16,18	-	-	-	6,650,200	6,650,200
		3,156,666	3,900,000	-	10,776,930	17,833,596
Weighted average		7.75%	10.0%			
Net financial liabilities		(2,145,097)	(3,900,000)	-	(6,759,446)	(12,804,543)

(c) Net Fair Value of Financial Assets and Liabilities

The net fair value of financial assets and liabilities of the consolidated entity approximates their carrying value.

SHAREHOLDERS' DETAILS

The shareholder information set out below was applicable as at 27 September 2000.

A. Distribution of Equity Securities

Analysis of numbers of shareholders by size of holding:

	Ordinary Shares
1 - 1,000	23
1,001 - 5,000	119
5,001 - 10,000	148
10,001 - 100,000	575
100,001 - and over	145
	1,010

There were 96 holders of less than a marketable parcel of ordinary shares.

B. Twenty Largest Shareholders

The names of the twenty largest holders of shares are listed below:

Name		Number of Shares Held	Percentage
1	Sierra Bay Pty Ltd	16,625,879	10.54%
2	Tower Trust Limited	12,174,943	7.72%
3	Riverman Holdings Pty Ltd	11,172,263	7.08%
4	Kim-Siew Loo	10,000,000	6.34%
5	Promtek (Australia) Pty Ltd	8,731,578	5.53%
6	Bridgeway Enterprises Pty Ltd	7,345,493	4.66%
7	Silverkey Corporation Pty Ltd	3,571,429	2.26%
8	Contours Pty Ltd	3,286,190	2.08%
9	Troika Securities Ltd	3,273,278	2.07%
10	Perpetual Trustee Company Ltd	2,511,500	1.59%
11	Macquarie Prism Pty Ltd	2,500,000	1.58%
12	Greystoke Holdings Pty Ltd	2,500,000	1.58%
13	Cotswold Investments Pty Ltd	2,500,000	1.58%
14	Redbrook Nominees Pty Ltd	1,923,077	1.22%
15	Westessa Holdings Pty Ltd	1,609,914	1.02%
16	Rollaston Pty Ltd	1,423,077	0.90%
17	Royalla Pty Ltd	1,368,004	0.87%
18	Nefco Nominees Pty Ltd	1,362,000	0.86%
19	Ross James Neumann	1,314,111	0.83%
20	Pressform Engineering Pty Ltd	1,298,684	0.82%
		96,491,420	**61.13%**

C. Twenty Largest 30 March 2001 Option Holders

The names of the twenty largest holders of options are listed below:

Name		Number of Options Held	Percentage
1	Kim-Siew Loo	10,000,000	10.69%
2	Sierra Bay Pty Ltd	9,323,974	9.96%
3	Promtek (Australia) Pty Ltd	8,700,000	9.30%
4	Riverman Holdings Pty Ltd	7,575,931	8.10%
5	Tower Trust Limited	4,733,076	5.06%
6	Greystoke Holdings Pty Ltd	3,846,154	4.11%
7	Eastern States Securities Ltd	3,846,154	4.11%
8	Troika Securities Ltd	2,961,538	3.16%
9	Newport Securities Pty Ltd	2,500,000	2.67%
10	Perpetual Trustee Company Ltd	2,055,000	2.20%
11	Redbrook Nominees Pty Ltd	1,923,077	2.05%
12	Archfield Pty Ltd	1,251,510	1.34%
13	Nefco Nominees Pty Ltd	1,200,000	1.28%
14	Topsfield Pty Ltd	1,153,847	1.23%
15	The Sports Café Australia Pty Ltd	1,153,847	1.23%
16	The Congregation of the Presentation Sisters (WA) Incorporated	1,000,000	1.07%
17	Gravelstone Pty Ltd	983,333	1.05%
18	Hocking (Holdings) Pty Ltd	964,000	1.03%
19	Hardrock Capital Pty Ltd	869,231	0.93%
20	Zellman Pty Ltd	769,231	0.82%
		66,809,903	**71.39%**

D. Substantial Shareholders

Substantial shareholders in the Company are set out below:

Name	Number of Shares Held	Percentage
Riverman Holdings Pty Ltd & Associated entities	20,348,350	12.90%
Kim-Siew Loo	18,731,578	11.87%
Sierra Bay Pty Ltd	16,625,879	10.54%
Tower Trust Limited	12,159,943	7.71%

E. Voting Rights

The shares carry the right to one vote for each share held.