



16<sup>th</sup> May 2006

The Manager  
Company Announcements  
Stock Exchange of Newcastle Limited  
384 Hunter Street  
NEWCASTLE NSW 2300

Dear Sir,

### **Net Asset Backing**

The unaudited Net Asset Backing of Florin Mining Investment Company Limited's ordinary shares as at 30<sup>th</sup> April 2006 was approximately 30 cents per share.

The Company is a long term investor and does not intend disposing of its total long term investment portfolio. If estimated tax on gains arising from such disposal were to be deducted, the above figure would be approximately 30 cents per share.

The net asset backing figure as at 31 May 2006 is expected to be announced by Wednesday 14th June 2006.

### **Important Notice**

The approximate unaudited net asset backing of the Company's shares announced at the end of each month should be treated as a guide only and not as a definitive statement.

In particular shareholders should consider that the unaudited net asset backing may be affected by;

- **Income Tax**  
It is not possible to calculate and provide for any tax liability until the company has received all the necessary dividend and distribution statements;
- **Performance Fees**  
An allowance may need to be made for any performance fees that may become payable to the Manager under the management agreement. These are only to be calculated at the end of the Performance Calculation Period, which is presently annually at 30<sup>th</sup> June each year; and
- **Options**  
There may be an increase or decrease of the net asset backing in the event that some or all of the options issued by the Company are exercised.

Yours faithfully

**FLORIN MINING INVESTMENT COMPANY LIMITED**

A handwritten signature in black ink, appearing to read 'D Di Stefano', is written over a horizontal line.

**DANIEL DI STEFANO**  
**COMPANY SECRETARY**

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