

RATTOON

H o l d i n g s L i m i t e d

23 Jun. 10

Ongoing position of the Company and Indicative proposal

The Company announced earlier this year that it had received an approach from one of its major shareholders about a potential privatisation of the Company.

The Board has held discussions regarding an indicative privatisation proposal at 6 c per share with one of the major shareholders. The Chairman, Mr Graeme Cureton, and Mr Hugh Robertson, as an independent committee of the Board, have formed the view that at this indicative price, the Board is willing to negotiate with either or both of the major shareholders to see if a proposal can be finalised. Mr Peter Landos, the third director of the Company has not participated in this deliberation given that he is an executive director of one of the major shareholders, Thorney Investment Group.

It is noted that since the capital return made to shareholders last year, the Company has had a reduced capital base compared to the previous situation before the capital return. The Board has considered various options including re-capitalisation of the Company, winding-up the Company and encouraging one or both major shareholders to submit an indicative privatisation proposal – all of these alternatives remain under consideration.

Whilst the Board will continue to explore a potential privatisation proposal with either or both of the major shareholders, it is noted that at this stage there is no formal agreement in place and it should not be assumed that negotiations will result in a transaction. The Board at this stage is not making any recommendation, and may not make any recommendation even if a proposal is advanced at the price indicated above.

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