



Bell IXL Investments Limited

ACN 113 669 908
ABN 80 113 669 908

Interim Financial Report

31 December 2010

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Corporate Directory

Directors

Massimo Livio Cellante
Ramon Jimenez
Romano Livio Cellante

Company Secretary

Ramon Jimenez

Principal & Registered Office

Bell IXL Investments Limited
Level 2, 651-653 Doncaster Road
Doncaster, Victoria 3108

Mailing Address

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Contact Details

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Stock Exchange

National Stock Exchange of Australia Limited
Ground Floor, 384 Hunter Street
Newcastle, New South Wales 2300
Ticker symbols:
BXL (ordinary shares)
BXLX (limited voting ordinary shares)

Share Registry

Link Market Services Limited
Level 1, 333 Collins Street
Melbourne, Victoria 3000

Auditor

Grant Thornton South Australian Partnership
Level 1, 67 Greenhill Road
Wayville, South Australia 5034

Legal Advisers

Pointon Partners
Level 2, 640 Bourke Street
Melbourne, Victoria 3000

Nominated Advisers

Massimo Livio Cellante
Ramon Jimenez

Bankers

Commonwealth Bank of Australia
7-9 The Mall
Lower Templestowe, Victoria 3107

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Table of Contents

Directors' Report	4
Auditor's Independence Declaration	6
Consolidated Financial Statements	7
Consolidated Statement of Comprehensive Income.....	7
Consolidated Statement of Financial Position.....	8
Consolidated Statement of Changes in Equity.....	9
Consolidated Statement of Cash Flows.....	10
Notes to the Financial Statements	11
1 Basis of Preparation.....	11
2 Segment Information.....	11
3 Contingent Liabilities.....	11
4 Events Subsequent to Reporting Date.....	11
5 Related Party Transaction.....	11
Directors' Declaration	12
Independent Auditor's Review Report	13

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Directors' Report

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2010.

The consolidated group comprises Bell IXL Investments Limited ("parent entity") and its controlled entities, namely Bell IXL Funds Manager Pty Ltd, Fortina Pty Ltd and Resorts International (Australia) Pty Ltd.

Directors

The names of directors in office at any time during or since the end of the period are:

- Mr. Massimo Livio Cellante
- Mr. Ramon Jimenez
- Mr. Romano Livio Cellante

Directors have been in office since the beginning of the financial period to the date of this report unless otherwise stated.

Review of Operations

General Activities

The consolidated group operates as a strategic investment holding group with a focus on acquiring at a discount and profitably realising strategic shareholdings in publicly listed companies. The parent entity has been admitted to the Official List of the National Stock Exchange of Australia Limited and the securities of the parent entity trade under the ticker symbols BXL and BXLA.

Investment Portfolio

The consolidated group has continued to actively manage its portfolio of investments. At the end of the period the consolidated group held investments in the following listed companies:

- Botswana Metals Limited (ASX code: BML).
- BP plc (LSE code: BP.).
- Cardia Bioplastics Limited (ASX code: CNN).
- Chapmans Limited (ASX code: CHP).
- Hamilton Securities Limited (NSX codes: HSEA, HSEB, HSEOB).
- Pritchard Equity Limited (NSX codes: PEQA, PEQB, PEQOC).
- Premium Income Fund (NSX code: PIN).
- Queste Communications Limited (ASX code: QUE).
- Southern Cross Exploration NL (ASX code: SXX).

The consolidated group will continue to pursue the acquisition of investments and the successful realisation of those investments for the benefit of shareholders.

The group fully disposed of its long held investment in Longreach Oil Limited (ASX code: LGO) and the group and its associates ceased to be a substantial holder in that company. A significant loss was realised on disposal however the directors were able to utilise the inflow of funds from the sale to make an additional investment in Botswana Metals Limited on advantageous terms.

Additional shares were purchased in Chapmans Limited (ASX code: CHP) with the result that the voting power of the group and its associates in that company was increased to approximately 19.9%.

Merger Discussions

The parent entity continued to communicate with a number of companies listed on the ASX with a view to negotiating a merger to be accomplished by a reverse takeover of the company or other corporate transaction that would have the effect of achieving the listing of the company on the ASX. The rationale for pursuing these discussions is to consummate a transaction that will increase the capital available for investment activities whilst at the same time obtaining greater liquidity for shareholders of the parent entity by exchanging their existing shares for shares listed on the ASX. The parent entity has not yet reached agreement for the implementation of any such transaction.

Capital Raisings

The consolidated group did not raise any new capital during the period.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Directors' Report (continued)

Profit and Dividend

The net profit after income tax for the half-year ended 31 December 2010 attributable to the parent entity was \$230,596.

No dividends were paid or declared during the period or subsequent to the end of the period.

Events Subsequent to Reporting Date

In January 2011 the parent entity disposed of its entire investment in Cardia Bioplastics Limited (ASX code: CNN) via a series of on-market sales on the ASX.

In February 2011 the parent entity subscribed for its entitlement to take up shares in Botswana Metals Limited (ASX code: BML) pursuant to a rights issue undertaken by that company. The parent entity also took up additional shares to satisfy its obligation as an underwriter of the rights issue. The total investment by the parent entity was \$300,000 in exchange for which the parent entity received 3,750,000 shares in Botswana Metals Limited issued at eight cents per share together with 7,500,000 free options to take up further ordinary shares. The exercise price of the options is 10 cents each and they expire on 30 June 2013. The company will receive an underwriting fee of \$15,000 for underwriting the rights issue.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* for the half-year ended 31 December 2010 is included at page 6 of the report.

Signed on behalf of the board in accordance with a resolution of the directors.



MASSIMO LIVIO CELLANTE
Executive Chairman and Managing Director

Melbourne, 16 March 2011.

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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BELL IXL INVESTMENTS LTD**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Bell IXL Investments Ltd for the half-year ended 31 December 2010, 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 review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants



J.L. Humphrey
Partner

Adelaide, 16 March 2011

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Consolidated Statement of Comprehensive Income

	31/12/2010 \$	31/12/2009 \$
Revenue		
Net realised gains from financial assets	-	-
Net unrealised gains from financial assets	844,747	341,374
Income from financial assets	391	-
Other revenue	3,521	9,958
	848,659	351,332
Expenses		
Net realised losses from financial assets	(386,649)	(26,381)
Impairment of assets	(1,317)	(545)
Expiry of options	(123)	-
Finance charges	(89)	(275)
Employee benefits expense	(68,692)	(63,606)
Other expenses	(65,913)	(44,760)
	(522,783)	(135,567)
Net profit/(loss) before income tax	325,876	215,765
Income tax (expense)/benefit	(98,699)	(65,561)
Net profit/(loss) after income tax	227,177	150,204
Other comprehensive income, net of tax	-	-
Total comprehensive income	227,177	150,204
Total comprehensive income is attributed to:		
Parent interest	230,596	146,563
Non-controlling interest	(3,419)	3,641
	227,177	150,204
Basic earnings/(loss) per share (cents per share)	1.64	1.06

The statement of comprehensive income is to be read in conjunction with the notes to the financial statements.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Consolidated Statement of Financial Position

	31/12/2010 \$	30/06/2010 \$
Current assets		
Cash and cash equivalents	419,798	155,220
Trade and other receivables	69,849	41,383
Other financial assets - trading portfolio	1,834,470	1,921,325
Total current assets	2,324,117	2,117,928
Non-current assets		
Deferred tax assets	483,014	430,111
Property, plant and equipment	2,906	3,207
Total non-current assets	485,920	433,318
Total assets	2,810,037	2,551,246
Current liabilities		
Trade and other payables	17,207	139,714
Borrowings	-	1,674
Short-term provisions	14,672	10,480
Total current liabilities	31,879	151,868
Non-current liabilities		
Deferred tax liabilities	183,623	32,020
Other long-term provisions	19,656	19,656
Total non-current liabilities	203,279	51,676
Total liabilities	235,158	203,544
Net assets	2,574,879	2,347,702
Equity		
Issued capital	3,059,654	3,059,654
Retained profits	(506,982)	(737,578)
Parent interest	2,552,672	2,322,076
Non-controlling interest	22,207	25,626
Total equity	2,574,879	2,347,702

The statement of financial position is to be read in conjunction with the notes to the financial statements.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Consolidated Statement of Changes in Equity

	31/12/2010 \$	31/12/2009 \$
Total equity at start of the period	2,347,702	2,372,515
Total comprehensive income for period - parent	230,596	146,563
Total comprehensive income for period - non-controlling interest	(3,419)	3,641
Recognition of non-controlling interest	-	36,766
Total equity at end of the period	2,574,879	2,559,485

The statement of changes in equity is to be read in conjunction with the notes to the financial statements.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Consolidated Statement of Cash Flows

	31/12/2010	31/12/2009
	\$	\$
Cash flows from operating activities		
Sale of investments	743,054	286,539
Purchase of investments	(363,850)	(514,820)
Payments to suppliers/employees/sundry	(160,983)	(101,360)
Receipts from customers/employees/sundry	17,566	1,371
GST refund received	-	2
Interest received	2,216	6,351
Dividends/distributions received	391	-
Income tax paid	(2,406)	(30,473)
Income tax refund received	28,590	-
Net cash from operating activities	264,578	(352,390)
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Net cash from financing activities	-	-
Net increase (decrease) in cash held	264,578	(352,390)
Cash at start of period	155,220	715,218
Cash at end of period	419,798	362,828

The statement of cash flows is to be read in conjunction with the notes to the financial statements.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Notes to the Financial Statements

Note 1: Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Bell IXL Investments Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that the financial report be read in conjunction with the annual financial report of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

The annual financial report of the Group can be accessed at <http://nsxa.com.au/ftp/news/021723209.PDF>.

Note 2: Segment Information

For management purposes, the consolidated group is organised into one main operating segment and which undertakes investment activities. All the activities of the consolidated group are interrelated and interdependent and all significant operating decisions are based upon the analysis of the consolidated group as a single segment. The financial results from this segment are equivalent to the financial results of the consolidated group as a whole.

The group has investment exposures (financial assets) in different countries as set out in the following table.

Country	For the period ended 31/12/2010			As at 31/12/2010	
	Realised gains/(losses) from financial assets \$	Unrealised gains/(losses) from financial assets \$	Income from financial assets \$	Market value of financial assets \$	Portfolio %
Australia	(386,649)	845,764	391	1,813,816	98.87
United Kingdom	-	(1,017)	-	20,654	1.13
TOTAL	(386,649)	844,747	391	1,834,470	100.00

Country	For the period ended 31/12/2009			As at 30/06/2010	
	Realised gains/(losses) from financial assets \$	Unrealised gains/(losses) from financial assets \$	Income from financial assets \$	Market value of financial assets \$	Portfolio %
Australia	(26,381)	341,374	-	1,921,325	100.00
United Kingdom	-	-	-	-	-
TOTAL	(26,381)	341,374	-	1,921,325	100.00

Note 3: Contingent Liabilities

The directors are not aware of any contingent liabilities of the consolidated group.

Note 4: Events Subsequent to Reporting Date

In January 2011 the parent entity disposed of its entire investment in Cardia Bioplastics Limited (ASX code: CNN) via a series of on-market sales on the ASX.

In February 2011 the parent entity subscribed for its entitlement to take up shares in Botswana Metals Limited (ASX code: BML) pursuant to a rights issue undertaken by that company. The parent entity also took up additional shares to satisfy its obligation as an underwriter of the rights issue. The total investment by the parent entity was \$300,000 in exchange for which the parent entity received 3,750,000 shares in Botswana Metals Limited issued at eight cents per share together with 7,500,000 free options to take up further ordinary shares. The exercise price of the options is 10 cents each and they expire on 30 June 2013. The company will receive an underwriting fee of \$15,000 for underwriting the rights issue.

Note 5: Related Party Transaction

During the period the parent entity advanced the sum of \$55,000 to Resorts International Pty Ltd, a company in which one or more of the directors of the parent entity has an indirect financial interest. The advances are on normal commercial terms and conditions, are unsecured, are repayable on demand and bear interest at the rate of 10% per annum.

Bell IXL Investments Limited (ACN 113 669 908)

For the half-year ended 31 December 2010

Directors' Declaration

The directors of Bell IXL Investments Limited (ACN 113 669 908) declare that:

1. The financial statements and notes, as set out on pages 7 to 11 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) giving a true and fair view of the financial position of the consolidated group as at 31 December 2010 and of its performance for the half-year ended on that date.
2. In the directors' 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.

Signed on behalf of the board in accordance with a resolution of the directors.



MASSIMO LIVIO CELLANTE
Executive Chairman and Managing Director

Melbourne, 16 March 2011.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BELL IXL INVESTMENTS LTD

We have reviewed the accompanying half-year financial report of Bell IXL Investments Ltd ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Bell IXL Investments Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bell IXL Investments Ltd is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON SOUTH AUSTRALIAN PARTNERSHIP
Chartered Accountants



J.L. Humphrey
Partner

Adelaide, 16 March 2011