

7 January 2008

The Manager
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

TARGET'S STATEMENT LODGED

In accordance with item 14 section 633(1) of the *Corporations Act 2001* (Cth), the Directors of GoldLink GrowthPlus Limited (**GLC**) enclose a copy of the target's statement dated 7 January 2008 in response to Tidewater Investments Limited's (**Tidewater**) Bidder's Statement dated 4 December 2007 and First Supplementary Bidder's Statement dated 17 December 2007 relating to offers for all of the shares in GLC.

The target's statement was sent to Tidewater and lodged with the Australian Securities and Investments Commission today.

Yours faithfully



Tony Sutars
Company Secretary

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO HOW TO DEAL WITH THIS DOCUMENT, YOU SHOULD CONSULT YOUR BROKER, FINANCIAL OR OTHER PROFESSIONAL ADVISER.

GoldLink GrowthPlus Limited

ABN 48 111 695 357

Target's Statement

in response to
the Bidder's Statement and First Supplementary Bidder's Statement by
Tidewater Investments Limited ABN 52 001 746 710

This Target's Statement includes your Independent Directors'
recommendation

IMPORTANT NOTICES

Nature of this document

This document is a Target's Statement issued by GoldLink GrowthPlus Limited under Part 6.5 Division 3 of the *Corporations Act* in response to the Bidder's Statement and First Supplementary Bidder's Statement by Tidewater Investments Limited.

ASIC lodgement

This Target's Statement is dated 7 January 2008 and was lodged with the Australian Securities and Investments Commission (ASIC) on 7 January 2008. Neither ASIC nor any of its officers takes any responsibility for the content of this Target's Statement.

No account of personal circumstances

This Target's Statement does not take into account your individual investment objectives, financial situation or particular needs. You should obtain independent financial, investment, legal and taxation advice before deciding whether to reject or accept the Tidewater Offer.

Tax consequences of the Offer

Neither GLC nor its advisors accepts any liability or responsibility in respect of any statement in the Bidder's Statement concerning the tax consequences in connection with Tidewater's Offer, or in respect of the taxation consequences themselves.

Forward looking statements

This Target's Statement contains forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to GLC as well as general economic conditions and conditions in the financial markets.

Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and such deviations are both normal and to be expected. None of GLC, any of its officers or any person named in this Target's Statement or involved in the preparation of this Target's Statement makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, and you are cautioned not to place undue reliance on those statements.

The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

Defined terms

Certain terms used in this Target's Statement have defined meanings, as set out in section 6 of this Target's Statement.

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Key dates

Date of Tidewater's Offer	18 December 2007
Date of this Target's Statement	7 January 2008
Expiration of Tidewater's Offer (unless extended or withdrawn)	5.00pm, Sydney time on 31 January 2008



7 January 2008

Dear GLC Shareholder

On 20 November 2007 Tidewater announced its intention to make a takeover bid for all the shares in GLC on the basis that accepting GLC Shareholders will receive 3 New Tidewater Shares for every 14 GLC Shares they accept into the offer. Tidewater's bid was unsolicited.

On 17 December 2007 and following discussions between your Independent Directors and Tidewater, Tidewater announced that accepting GLC Shareholders would be able to make a Cash Election and receive \$0.145 cash for each GLC Share accepted into the Offer instead of the New Tidewater Shares noted above. No commitment or suggestion was made to Tidewater that its Offer would be recommended by the Independent Directors.

In response to Tidewater's Offer, your Independent Directors commissioned WHK Horwath Corporate Finance Limited as an Independent Expert to report on the fairness and reasonableness of Tidewater's Offer. The Independent Expert reported that it considered Tidewater's Offer to be fair and reasonable. The Independent Expert's report is contained in Annexure 1 of this Target's Statement and you are urged to read it in its entirety.

As your Independent Directors, we have concluded that the decision whether or not to accept Tidewater's Offer is finely balanced. We recommend that, on balance and in the absence of a superior offer, you accept the Tidewater Offer for all of your GLC Shares **AND** make the Cash Election. Details on how to do this are set out in section 3.1 of the Target's Statement.

Before doing so, you are encouraged to read the Bidder's Statement, First Supplementary Bidder's Statement and Target's Statement in full and to consider the Tidewater Offer having regard to your personal circumstances. The Independent Directors encourage you to seek your own independent financial and taxation advice prior to deciding whether to accept the Tidewater Offer.

If you have any questions concerning the Offer, you may call the GLC shareholder information line on (02) 8264 2533 during normal business hours.

Yours sincerely

Mark Smith
Chairman

A blue ink signature of Mark Smith, consisting of a stylized 'M' and 'S'.

Robert van Veenendaal
Director

A blue ink signature of Robert van Veenendaal, featuring a cursive 'R' and 'V'.

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1. Independent Directors' Recommendation

1.1 The Independent Directors' recommendation

The Independent Directors have concluded that the decision whether or not to accept Tidewater's Offer is finely balanced in light of each of the matters noted in this Target's Statement. The Independent Directors recommend that, on balance and in the absence of a superior offer, you accept the Tidewater Offer for all of your GLC Shares **AND** make the Cash Election, but that you have regard to the following important matters:

- (a) On acceptance of Tidewater's Offer and it becoming unconditional, you will receive 3 New Tidewater Shares for each 14 GLC Shares you hold unless you make the Cash Election (as to which see section 3.1 of this Target's Statement). That is, if you do not make the Cash Election, upon the Offer becoming unconditional you will receive 3 New Tidewater Shares for each 14 GLC Shares you accept into Tidewater's Offer and you will become a shareholder in Tidewater. The Independent Directors recommend that you make the Cash Election if you accept the Offer.
- (b) If you wish to receive cash for your GLC Shares, you should follow the instructions outlined in section 3.1 of this Target's Statement. By doing this, you will be accepting the Tidewater Offer for your GLC Shares and making the Cash Election, such that upon the Offer becoming unconditional you will receive \$0.145 cash for each GLC Share you accept into the Offer instead of the New Tidewater Shares outlined above.
- (c) If you make the Cash Election and the Offer becomes unconditional, you will receive \$0.145 cash for each GLC Share you accept into the Offer. You should note that this amount:
 - (i) is less than the implied value of the Tidewater Shares you can receive under the Offer based on the volume weighted average price of Tidewater shares used by Tidewater to value the Offer in accordance with ASIC Class Order 00/2338¹;
 - (ii) is less than the implied value of the Tidewater Shares you can receive under the Offer based on the closing price of Tidewater Shares of \$0.78 on the last trading day before the date of this Target's Statement, and
 - (iii) can be compared to the Independent Expert's assessment of the indicative value range accepting Shareholders will receive under the Offer if they do not make the Cash Election, being the range of \$0.1441 to \$0.1486 per GLC Share.
- (d) You should not make a decision about whether to accept the Offer without carefully reading the Bidder's Statement, First Supplementary Bidder's Statement

¹ See section 13 of Tidewater's First Supplementary Bidder's Statement.

and this Target's Statement, including section 1.2 and the risks and other information contained in section 4 of this Target's Statement.

- (e) In deciding whether or not to accept Tidewater's Offer, you should take into account your own personal circumstances.

1.2 Reasons for the Independent Directors' recommendation

The reasons for the Independent Directors' recommendation in section 1.1 are as follows:

- (a) **The Independent Expert has concluded that the Tidewater Offer is fair and reasonable.**

WHK Horwath Corporate Finance Limited, the Independent Expert, has given an opinion that the Tidewater Offer is fair and reasonable for GLC Shareholders. The Independent Expert is independent from each of GLC and Tidewater.

The Independent Expert's report contains the following conclusions:

"We have calculated the indicative value of GLC to be 14.21 cents per share on an undiluted basis.

Under the Share Alternative, we have calculated the value of the Offer to be in the range of 14.41 cents and 14.86 cents per GLC share. Since the assessed market value of the Share Alternative value range is greater than the assessed market value of GLC shares, the Offer under the Share Alternative is fair.

Under the Cash Alternative, Tidewater is offering 14.50 cents in cash per GLC share. Since the assessed market value of the consideration being paid is greater than the assessed market value of GLC shares, the Offer under the Cash Alternative is fair. . . .

We are of the opinion that the Offer is both fair and reasonable to GLC shareholders in the event the shareholder elects for the Share Alternative or the Cash Alternative."

The Independent Expert's report is contained in Annexure 1 of this Target's Statement and you are urged to read it in its entirety.

- (b) **Tidewater's Offer allows you an opportunity to receive cash for your GLC Shares at a premium to GLC's net tangible asset backing per GLC Share**

You should be aware that GLC's principal asset is cash reserves, which totalled \$4.31 million at 30 November 2007. Its only other asset is tax losses of approximately \$10.9 million. Based on statements in section 6 of the First Supplementary Bidder's Statement, Tidewater considers that the tax losses are of no value or benefit to Tidewater. Accordingly, the only asset of GLC that Tidewater considers is of value or benefit to Tidewater is GLC's cash reserves.

The Independent Directors consider that, following anticipated expenses associated with Tidewater's Offer, it is likely that GLC's net asset value per GLC

Share will be approximately \$0.1379 per GLC Share². Accordingly, Tidewater's Offer gives GLC Shareholders an opportunity to receive cash for their GLC Shares, by making the Cash Election, at a premium to GLC's net tangible asset backing per GLC Share and at a premium to GLC's anticipated cash reserves per GLC Share anticipated following expenses associated with the Offer.

If you accept Tidewater's Offer and you make the Cash Election, and the Offer becomes unconditional, Tidewater will pay you \$0.145 cash for each of your GLC Shares, and you will not incur any brokerage.

(c) There are risks in acquiring Tidewater Shares under the Tidewater Offer

In addition to the risks outlined in section 6 of the Bidder's Statement, the Independent Directors consider it is important to appreciate the following risks in acquiring Tidewater Shares under the Offer:

- By virtue of your ability to make the Cash Election, Tidewater, an investment company, is prepared to pay \$0.145 per GLC Share to acquire a lesser amount of underlying cash per GLC Share.
- If a large number of GLC Shareholders accept the Tidewater Offer and make the Cash Election but Tidewater is not able to acquire all of GLC, Tidewater will have a significant shareholding in GLC but may not be able to optimise the value of that shareholding. In that situation, Tidewater will have paid \$0.145 per GLC Share to acquire an interest in GLC, whose net tangible asset backing as at 30 November 2007 was \$4.26 million, equivalent to \$0.1421 per GLC Share, but will not be able to access GLC's cash reserves for its sole benefit.
- If a sufficiently large number of GLC Shareholders accept the Tidewater Offer and make the Cash Election, Tidewater has indicated that it will sell existing investments as required.³ Given the nature of those investments (including the size of its percentage interest, and the market capitalisation and liquidity of the entities in which it has invested) and current uncertainty in global share markets, it is possible that Tidewater may not be able to realise those investments for the value outlined in table II of section 3.6 of the Bidder's Statement. In that situation, it is possible that the value of Tidewater may be adversely affected by its need to realise some of those assets other than in an ordinary manner at the time of its own choosing.
- The value of a Tidewater Share is mainly dependant on the value of an underlying portfolio of share investments, of which some are illiquid. (See section 11 of the Independent Expert's report for further information). Consequently, the Independent Expert's conclusion of the fairness of the Share Alternative rests on the assumption that the share investment portfolio will maintain its value and there will not be a significant deterioration of value. The Independent Directors intend to monitor the

² As reported to ASX on 10 December 2007, GLC's net tangible asset backing as at 30 November 2007 was \$4.26 million, equivalent to \$0.1421 per GLC Share. As at 30 November 2007, GLC's cash reserves totalled \$4.31 million, equivalent to \$0.1436 per share.

³ See section 12 of Tidewater's First Supplementary Bidder's Statement.

underlying value of Tidewater's investment portfolio during the Bid Period and advise Shareholders if there is any material change.

- The volume weighted average price of Tidewater Shares used by Tidewater to value the Offer in accordance with ASIC Class Order 00/2338 (being \$0.7498 per Tidewater Share), and the closing price of Tidewater Shares on the last trading day before the date of this Target's Statement (being \$0.78) are both higher than the Independent Expert's assessment of the indicative value of a Tidewater Share, being in the range of \$0.6721 to \$0.6931 per Tidewater Share.
- The Independent Expert's assessment of the indicative value range accepting Shareholders will receive under the Offer if they do not make the Cash Election is \$0.1441 to \$0.1486 per GLC Share.
- Based on recent trading information, there does not appear to be a liquid market for Tidewater Shares. This may adversely affect your ability to readily sell your Tidewater Shares for fair value.

(d) GLC's share price may fall at the end of Tidewater's Offer

While there are many factors which affect GLC's share price and the Independent Directors are unable to predict the price that GLC Shares will trade at in the future, GLC's share price may fall once Tidewater's Offer closes due to a reduced trading liquidity and the fact that GLC's share price may not reflect any takeover premium.

(e) No other credible offer has been made to purchase your GLC Shares since Tidewater's bid was announced

You should be aware that:

- since announcement of the Tidewater bid, the Independent Directors have sought alternative proposals for GLC;
- notwithstanding these efforts, the Independent Directors have not received any other proposals to acquire your GLC Shares that they consider is more credible or of higher value than that received from Tidewater (as to which see section 4.1 below); and
- the Independent Directors believe there is a low likelihood of a credible alternative rival bid emerging that gives GLC Shareholders an opportunity to receive more than \$0.145 cash for each GLC Share.

The Independent Directors will advise you if a superior offer emerges before the end of the Offer Period.

(f) GLC's two largest Shareholders have failed to agree on a common direction

GLC's two largest Shareholders are Tidewater (which, at the date of this Target's Statement had a relevant interest in 22.75% of GLC Shares) and Gulf (which, at the date of this Target's Statement had a relevant interest in 9.17% of GLC Shares). To date, Tidewater and Gulf have failed to agree on a common direction for GLC and the Independent Directors believe that this has the potential to detrimentally affect the ability of GLC to efficiently and effectively implement a new direction and, consequently, has the potential to detrimentally affect its

prospects and value. The Independent Directors note Tidewater's comments in section 5 of the First Supplementary Bidder's Statement.

1.3 The Independent Directors' intentions in respect of their GLC Shares

Each of your Independent Directors intends, in the absence of a superior offer, to accept Tidewater's Offer in respect of all of the GLC Shares they hold and to make the Cash Election.

1.4 The Directors of GLC

As at the date of this Target's Statement, the Directors of GLC are:

Name	Position
Mark Smith	Independent, Non-Executive Chairman
Robert van Veenendaal	Independent, Non-Executive Director
Andrew Brown	Non-Executive Director
Clare Porta	Non-Executive Director

Each of Mark Smith and Rob van Veenendaal desires to make, and considers himself justified in making, a recommendation to GLC Shareholders. Messrs Smith and van Veenendaal are referred to in this section and elsewhere in this Target's Statement as the **Independent Directors**, that is Directors who are not associated with Tidewater or its associates.

Each of Andrew Brown and Clare Porta holds a position as an officer of Tidewater. For this reason, Mr Brown and Ms Porta do not consider it is appropriate for them to make, and they decline to make, a recommendation to GLC Shareholders.

2. Frequently asked questions

This section answers some commonly asked questions about Tidewater's Offer. It is not intended to address all relevant issues for GLC Shareholders. This section should be read together with all other parts of this Target's Statement.

Why is this document being sent to you?	This Target's Statement is GLC's formal response to Tidewater's Offer. It contains information prepared by the Independent Directors to help you determine whether to accept or reject Tidewater's Offer.
What is being offered for your GLC Shares?	If you do not make the Cash Election, and the Offer becomes unconditional, you will receive 3 New Tidewater Shares for every 14 GLC Shares you accept into Tidewater's Offer. Any fractional entitlement will be rounded up to the nearest whole number. If you make the Cash Election, and the Offer becomes unconditional, you will receive \$0.145 cash for each GLC Share instead of the New Tidewater Shares outlined above⁴.
What choices do I have as a Shareholder?	Please see Section 3 of this Target's Statement. As a GLC Shareholder, you may: • ACCEPT THE OFFER AND MAKE THE CASH ELECTION, in which case you need to follow the instructions in section 3.1 of this Target's Statement. • ACCEPT THE OFFER BUT DO NOT MAKE THE CASH ELECTION, in which case you need to follow the instructions in section 3.2 of this Target's Statement. • SELL YOUR GLC SHARES ON MARKET (unless you have previously accepted the offer and not validly withdrawn that acceptance). See section 3.3 of this Target's Statement for more information. • REJECT THE OFFER, in which case you do not need to do anything or respond to any document that has been sent to you by Tidewater. See section 3.4 of this Target's Statement for more information.
What do the Independent Directors recommend that you do?	The Independent Directors have concluded that the decision whether or not to accept Tidewater's Offer is finely balanced. On balance and in the absence of a superior offer, the Independent Directors recommend that you accept the Tidewater Offer AND make the Cash Election. See section 1 for further details.

⁴ See section 3.1 of this Target's Statement for more information on the Cash Election.

Is the Offer subject to conditions?	Yes. See section 4.8 of this Target's Statement.
How do you accept the Offer?	See section 3.1 and 3.2 of this Target's Statement.
Can you withdraw your acceptance once you accept the Offer?	Once you accept the Offer you cannot withdraw your acceptance except in the following limited circumstances: • if the conditions of the Offer (as detailed in section 8.11 of the Bidder's Statement and section 9 of the First Supplementary Bidder's Statement and summarised in section 4.8 of this Target's Statement) have not been satisfied or waived by the date for satisfaction of those conditions; and • the Offer is extended for more than one month and you are entitled to withdraw your acceptance under section 650E of the Corporations Act. See section 8.16 of the Bidder's Statement for further details.
Can you be forced to sell your GLC Shares?	You cannot be forced to sell your GLC Shares unless you have accepted the Offer or Tidewater acquires a relevant interest in at least 90% (by number) of the GLC Shares and at least 75% (by number) of the GLC Shares it offered to acquire by the end of the Offer Period and then proceeds to compulsorily acquire the remaining GLC Shares that it does not own.
What are the tax implications if you accept into the Offer?	Tidewater has provided a general overview of the likely Australian tax consequences for Australian resident Shareholders of accepting the Offer in section 7 of the Bidder's Statement. You should read that section carefully. You should note that the overview in the Bidder's Statement is general only and should not be relied upon as advice in relation to your specific circumstances. The precise taxation consequences of accepting the Offer will vary depending on your particular circumstances. In particular, the taxation consequences will depend, amongst other things, on: • whether you hold your GLC Shares on capital or revenue account for taxation purposes; • whether you are an individual, company, trust or superannuation fund shareholder; and • your tax residency status (i.e. whether you are an Australian tax resident or not). It is therefore strongly recommended that you seek independent professional advice as to the taxation consequences of accepting the Offer, having regard to your own personal circumstances.

When do you have to make a decision by?	If you wish to accept the Offer, you must do this before its scheduled closing date which, at the date of this Target's Statement was 5.00 pm Sydney time on 31 January 2008.
Will I be able to trade Tidewater Shares on ASX?	In its Bidder's Statement, Tidewater states that it will apply to ASX for Quotation of the New Tidewater Shares that will be allotted under the Offer. Assuming this is granted, you will be able to trade Tidewater Shares on ASX. You should be aware that, based on recent trading information, there does not appear to be a liquid market for Tidewater Shares. This may adversely affect your ability to readily sell your Tidewater Shares for a fair market price
What will happen if Tidewater increases the amount it is prepared to pay under the Offer?	If you accept the Tidewater Offer and, subsequently, Tidewater increases the amount which it is prepared, or required, to pay to acquire GLC Shares during the Offer Period, then you will be entitled to the increased consideration assuming the Offer becomes unconditional. If you sell your GLC Shares outside the Tidewater Offer (for example, on ASX), you will lose the opportunity to participate in any increased Offer Consideration.
What happens if I accept the Tidewater Offer and a superior offer is made for my GLC Shares after I accept?	Once you accept the Tidewater Offer for your GLC Shares, you will not be permitted to deal in your GLC Shares in any way, subject to limited rights to withdraw your acceptance. Accordingly, if you accept the Tidewater Offer, you may be unable to accept a superior offer if one arises after that time.
What do I do if I am a Foreign Shareholder?	See section 4.19 of this Target's Statement.
What if I have further questions?	Announcements made to ASX by GLC and other important information can be obtained from the ASX website at www.asx.com.au. Also, you may call the GLC shareholder information line on (02) 8264 2533 during normal business hours.

3. Your choices as a GLC Shareholder

The Independent Directors have concluded that the decision whether or not to accept Tidewater's Offer is finely balanced. On balance and in the absence of a superior offer, the Independent Directors recommend that you accept the Tidewater Offer **AND** make the Cash Election.

As a GLC Shareholder, the following choices are currently available to you:

3.1 Accept the Offer and make the Cash Election to receive \$0.145 cash for each GLC Share

If you accept Tidewater's Offer **AND** make the Cash Election, and the Offer becomes unconditional, you will receive \$0.145 cash for each GLC Share you accept into the Tidewater Offer.

To do this, you need to do **ALL** of the following:

- **accept Tidewater's Offer** in accordance with section 8.6 of the Bidder's Statement. You may accept Tidewater's Offer for ALL or ANY of your GLC Shares. Make sure you place the number of GLC Shares you wish to accept into Tidewater's Offer in the box provided for that purpose on the Acceptance and Transfer Form; and
- make the Cash Election by **signing and completing the Election Response Form**, which is enclosed with the First Supplementary Bidder's Statement, and
- **send the completed Election Response Form, together with the completed Acceptance and Transfer Form to Tidewater or Registries Limited.** The relevant address details are set out in the Acceptance and Transfer Form provided with the Bidder's Statement.

Your ability to make the Cash Election arises due to the fact that Tidewater, through its wholly owned subsidiary, acquired GLC Shares for cash of up to \$0.145 during the Bid Period. Tidewater has prescribed a manner in which you can make the Cash Election, as outlined above. If you wish to make the Cash Election, you are strongly recommended to follow that procedure.

However, you should also be aware that GLC's view is that under the relevant provisions of the *Corporations Act*, Tidewater must give GLC Shareholders a written notice of their right to make the Cash Election within 14 days after the end of the Offer Period. Under these provisions, you then have to make the Cash Election by written notice to Tidewater within 1 month after you receive the written notice from Tidewater of your right to make the Cash Election. If this procedure is followed, you will be entitled to receive \$0.145 cash per GLC Share instead of the New Tidewater Shares. To do so, you will have to return to Tidewater the New Tidewater Shares you have received and any necessary transfer documents. While GLC believes that GLC Shareholders will obtain this right after the end of the Offer Period, the Independent Directors consider that there is no advantage to Shareholders in delaying making the Cash Election. GLC recommends that those Shareholders who wish to receive \$0.145 cash should accept the Offer and make the Cash Election in accordance with Tidewater's instructions.

GLC Shareholders who accept the Offer and make the Cash Election will not receive any possible benefits associated with being an owner of Tidewater Shares. Those Shareholders will not incur any brokerage charge on the disposal of their GLC Shares on acceptance of Tidewater's Offer, but may have a capital gain or a capital loss on the disposal of their GLC Shares. If they have a capital gain, they may be liable to pay capital gains tax (see section 7 of the Bidder's Statement for more information).

3.2 Accept Tidewater's Offer and acquire Tidewater Shares

If you accept Tidewater's Offer but do not make the Cash Election, and the Offer becomes unconditional, you will receive 3 New Tidewater Shares for every 14 GLC Shares you accept into the Offer (**Share Alternative**). Any fractional entitlement will be rounded up to the nearest whole number.

The Share Alternative will provide you with the exposure to the Merged Group and will therefore be influenced by the price at which Tidewater Shares will trade following the issue of the New Tidewater Shares to GLC Shareholders. The value of the Share Alternative will fluctuate with changes in the Tidewater share price up to and following receipt of your GLC Shares. Please see sections 1.1(c) and 4.7 for risk associated with acquiring Tidewater Shares.

GLC Shareholders who accept the Offer and choose the Share Alternative will not incur any brokerage charge on the disposal of their GLC Shares on acceptance of Tidewater's Offer, but may have a capital gain or a capital loss on the disposal of their GLC Shares. If they have a capital gain but Tidewater acquires at least 80% of all GLC Shares, they may be entitled to CGT roll-over relief (see section 7 of the Bidder's Statement for more information).

3.3 Sell your GLC Shares on market

GLC Shareholders may sell all or some of their GLC Shares on ASX unless they have accepted Tidewater's Offer in respect of those shares.

The amount that will be received by a GLC Shareholder who sells on ASX will depend on the then prevailing market price for GLC Shares, which may be higher or lower than the implied value of the Tidewater Offer. The market price of GLC Shares can change for a variety of reasons. During the Offer Period, the price of GLC Shares may also be affected by changes in the Tidewater Share price, although the Independent Directors consider that the opportunity to make a Cash Election may mitigate against that likelihood. The closing price of GLC Shares on 4 January 2008 was \$0.14. The latest price for GLC Shares may be obtained from the ASX website at www.asx.com.au.

If you sell your GLC Shares on market:

- you may have a capital gain or a capital loss on the disposal of those shares and therefore, if you have a capital gain, may be liable for capital gains tax (see section 7 of the Bidder's Statement);
- you may incur a brokerage charge;
- you will not receive any possible benefits associated with being an owner of Tidewater Shares; and

- you will not benefit from any possible increase in the consideration that might be offered under Tidewater's Offer.

GLC Shareholders who wish to sell their Shares on ASX should contact their broker for information on how to execute the sale.

3.4 Reject Tidewater's Offer and keep your GLC Shares

GLC Shareholders who do not wish to accept the Offer or sell their GLC Shares on ASX should do nothing.

GLC Shareholders should be aware, however, that Tidewater has stated in section 4.10 of its Bidder's Statement (as supplemented by the First Supplementary Bidder's Statement) that, if it obtains acceptances which would give it a relevant interest in 90% of GLC, Tidewater intends to seek, if entitled, to proceed to compulsorily acquire all the remaining GLC Shares under the *Corporations Act*. If you do not accept Tidewater's Offer and your GLC Shares are compulsorily acquired, you may face a delay in receiving the consideration for your GLC Shares compared with GLC Shareholders who accept Tidewater's Offer.

There are some risks associated with rejecting Tidewater's Offer. In particular:

- It is possible that Tidewater may close the Offer and not be in a position to compulsorily acquire GLC, but still obtain control of GLC. This could give Tidewater significant influence over the outcome of decisions about GLC's financial and operating policies.
- If Tidewater obtains majority ownership of GLC but is not able to compulsorily acquire the remaining GLC Shares, it is possible that the market price of GLC Shares will fall after the close of the Offer. This may occur because control of GLC will have already passed to Tidewater. Accordingly, any premium contained in the GLC Share price during the Offer Period which represents a reward for control (the so-called 'control premium') will cease to exist. In addition, the remaining free-float and subsequent liquidity in GLC Shares may be reduced. If this was to occur, it may have a negative impact on your ability to readily sell your GLC Shares for fair value.

Risks associated with continuing to hold GLC Shares are outlined in section 4.6 of this Target's Statement. Shareholders should carefully consider these risks.

4. Important matters for GLC Shareholders to consider

4.1 Tidewater's Offer and the First Supplementary Bidder's Statement

Tidewater's Offer is an offer to acquire all or any of your GLC Shares. Tidewater's Offer extends to any GLC Shares that are issued during the Offer Period, including due to the conversion or exercise of rights attached to other securities.

Tidewater's Offer is open for acceptance until 5.00pm Sydney time on 31 January 2008, unless it is extended or withdrawn. Details of Tidewater's Offer are set out in section 8.11 of the Bidder's Statement, as supplemented by the First Supplementary Bidder's Statement.

As previously noted, on 17 December 2007 and following discussions between your Independent Directors and Tidewater, Tidewater announced that accepting GLC Shareholders would be able to make a Cash Election and receive \$0.145 cash for each GLC Share accepted into the Offer instead of New Tidewater Shares. Tidewater then issued the First Supplementary Bidder's Statement to advise Shareholders of the Cash Election and to clarify certain other matters addressed in or omitted from the Bidder's Statement.

Promptly following receipt of the First Supplementary Bidder's Statement, the Independent Directors contacted Tidewater seeking:

- greater clarity on the way in which Tidewater would fund the amount payable to those accepting Shareholders who make the Cash Election – including details on the amount that is available for this purpose under the bank facility with National Australia Bank referred to in section 12 of the First Supplementary Bidder's Statement and the amount that may need to be funded by the realisation of Tidewater's existing investments, and
- confirmation that the Cash Election will be available to all Shareholders who accept the Offer and make the Cash Election before expiry of the Offer.

The Independent Directors consider that Tidewater should issue a second supplementary bidder's statement to address the concerns raised by the Independent Directors and noted above. The Independent Directors have expressed this view to Tidewater. At the date of this Target's Statement, GLC has not received a second supplementary bidder's statement from Tidewater.

4.2 Value of Tidewater's Offer

Tidewater is offering 3 New Tidewater Shares for every 14 GLC Shares you accept into Tidewater's Offer (**Share Alternative**). Any fractional entitlement will be rounded up to the nearest whole number. However, if you make the Cash Election, you will be entitled to receive \$0.145 cash for each GLC Share you accept into the Offer instead of the New Tidewater Shares.

(a) The value of Tidewater's Offer if you make the Cash Election

An amount of \$0.145 cash per GLC Share represents:

- a 11.54% premium to the closing GLC Share price of \$0.13 on 19 November 2007, which was the last full trading day before Tidewater announced its takeover offer;
- a 9.38% premium to the volume weighted average trading price of \$0.1326 over the week prior to 19 November 2007;
- a 8.40% premium to the volume weighted average trading price of \$0.1338 over the month prior to 19 November 2007; and
- a 2.02% premium to the net tangible asset backing per GLC Share as at 30 November 2007, being the last time that amount was calculated prior to the date of this Target's Statement⁵.

(b) The value of Tidewater's Offer if you accept the Share Alternative

According to the Independent Expert, the Share Alternative is valued in the range of \$0.1441 and \$0.1486 per GLC Share. This value represents:

- a 10.85-14.31% premium to the closing GLC Share price of \$0.13 on 19 November 2007, which was the last full trading day before Tidewater announced its takeover offer;
- a 8.70-12.09% premium to the volume weighted average trading price of \$0.1326 over the week prior to 19 November 2007;
- a 7.73-11.09% premium to the volume weighted average trading price of \$0.1338 over the month prior to 19 November 2007; and
- a 1.39-4.55% premium to the net tangible asset backing per GLC Share as at 30 November 2007, being the last time that amount was calculated⁶.

4.3 Background to Tidewater's Offer and the likelihood of a competing proposal

GLC was established in May 2005. With GCAM as its manager, GLC's investment strategy was designed to take advantage of arbitrage opportunities that existed in the term structure of gold forward and interest rate markets, through the establishment of a specialised investment portfolio.

By May 2007 the investment portfolio had incurred significant unrealised losses and the Board commenced a process of review to examine the future of the Company. After a period of review, during which an independent external treasury consultant was engaged, the Board decided to cease the investment strategy and instructed GCAM to unwind the investment portfolio and commence a process of realisation of the losses and recovery of cash collateral. The realisation process was completed in August 2007 at which time GLC was debt free and the total cash held in GLC's bank accounts was \$4.52 million.

Following the realisation of the portfolio and prior to the announcement of Tidewater's Offer, the Board received a number of corporate proposals, including the following conditional, non-binding, indicative corporate proposals in respect of GLC:

⁵ See section 1.2(b) of this Target's Statement.

⁶ See section 1.2(b) of this Target's Statement.

- One proposal, which was released to ASX on 24 September 2007, was from Tidewater, which proposed that GLC acquire Tidewater's wholly owned subsidiary, DAL, in consideration for the issue of GLC Shares to Tidewater.
- The second proposal, which was released to ASX on 28 September 2007, was from Florin, which proposed a merger between GLC and Florin by scheme of arrangement that would result in Florin shares being listed on ASX.

On 20 November 2007 Tidewater announced its intention to make a takeover bid for GLC. The proposed offer was unsolicited.

Since the announcement of Tidewater's Offer, the Independent Directors have sought alternative proposals for GLC and have approached Gulf in respect of its intentions for GLC. Notwithstanding these efforts, the Independent Directors have not received any other proposals to acquire your GLC Shares that they consider is more credible or of higher value than that received from Tidewater. As at the date of this Target's Statement, Tidewater's Offer is currently the only proposal of which the Independent Directors are aware that provides GLC Shareholders an opportunity to exit their investment in GLC for cash at more than the Company's last reported net asset backing per GLC Share. The Independent Directors believe that, at the date of this Target's Statement, there is a low likelihood of any credible alternative rival bid emerging that gives GLC Shareholders an opportunity to receive more than \$0.145 cash for each GLC Share.

The Independent Directors will advise you if a superior offer emerges before the end of the Offer Period.

4.4 Potential disadvantages of the takeover by Tidewater

GLC Shareholders should be aware of reasons as to why they may decide to reject Tidewater's Offer. Some factors that may lead you to reject Tidewater's Offer are set out below. Your Independent Directors believe that the decision whether or not to accept Tidewater's Offer is finely balanced and urge you to consider the following factors in deciding what to do.

(a) You may disagree with your Independent Directors

You may believe that the proposed takeover by Tidewater and the consideration offered by Tidewater are not in the best interests of GLC Shareholders, and that \$0.145 cash per GLC Share is not sufficient value for your GLC Shares.

(b) You may want GLC to continue as an independent entity

You may believe that GLC will deliver greater returns to GLC Shareholders by remaining as an independent company, or you may believe that GLC Shareholders will be exposed to greater risks by reason of GLC being part of an expanded corporate group.

(c) You may wish to wait to see if there is a superior proposal

You may consider that a higher offer for GLC may be made such that you would receive more than the consideration provided under Tidewater's Offer for your GLC Shares.

As at the date of this Target's Statement, your Independent Directors are not aware of any superior offer for GLC Shares.

(d) You may disagree with the Independent Expert

You may believe that the consideration being offered by Tidewater under the Offer is not fair and reasonable.

(e) You may be concerned about the manner in which Tidewater will fund the amount payable under the Cash Election

As noted in section 4.1 above, the Independent Directors consider that Tidewater should issue a second supplementary bidder's statement to clarify the way in which Tidewater will fund the amount payable to those accepting Shareholders who make the Cash Election. It is the Independent Directors' current understanding that Tidewater's principal source of cash to fund the amounts payable if all GLC Shareholders accept the Offer and make the Cash Election will be through the realisation of some of Tidewater's current investments.

(f) You may disagree with the fixed ratio in the Share Alternative

The Share Alternative under Tidewater's Offer consists of Tidewater Shares at a fixed ratio. Therefore, the value of the Share Alternative under the Offer is variable and depends on the market price of Tidewater Shares. Accordingly, the value of the New Tidewater Shares, and the value of the Offer itself will fluctuate with the movements in the Tidewater Share price.

In the period between the date of the announcement of Tidewater's bid (20 November 2007) and 4 January 2008, the closing price of Tidewater Shares ranged from \$0.65 to \$0.78.

(g) There may be taxation implications

The tax consequences for most Australian tax resident GLC Shareholders that hold their GLC Shares on capital account are outlined in section 7 of the Bidder's Statement.

4.5 Financial performance

GLC's Annual Financial Report was sent to GLC Shareholders on 20 August 2007 in accordance with *Corporations Act* and is available on GLC's website.

The Directors are not aware of any material change to the financial position of GLC since 30 June 2007 that is not the subject of commentary in that Annual Financial Report or this Target's Statement or the Independent Expert's Report.

4.6 Risks of being a minority GLC Shareholder

If Tidewater obtains control of GLC but does not become entitled to compulsorily acquire minority Shareholders' GLC Shares, Shareholders who do not accept the Offer would continue as minority Shareholders in GLC. This has a number of possible implications, including:

- Tidewater would be in a position to control the composition of GLC's Board of Directors and senior management, and to control the strategic direction of GLC. Tidewater has stated that, in these circumstances, it will seek to implement its intentions as set out in section 4.10 of the Bidder's Statement (as supplemented by the First Supplementary Bidder's Statement) as far as possible, but its ability to

do so will be subject to applicable legal and regulatory requirements which may delay or affect the extent of their implementation. The statements in section 4.10 of the Bidder's Statement (as supplemented by the First Supplementary Bidder's Statement) are said to be statements of current intentions only and may change as new information becomes available to Tidewater or circumstances change.

- Tidewater may not realise all of the benefits of acquiring control in GLC.
- If Tidewater acquires 75% or more of the Shares in GLC it will be able to pass a special resolution of GLC. This will enable Tidewater to, among other things, change GLC's constitution.

Accordingly, the Independent Directors believe that there is a potential risk that GLC Shareholders who do not accept the Offer may continue to be minority Shareholders in a company that, after the Offer closes, is under the management of a controlling shareholder (Tidewater) and has reduced trading liquidity. Whilst the Independent Directors cannot predict the actual effect this will have on GLC's share price, it may result in a decrease in GLC's share price as GLC's share price may not sustain any takeover premium and may suffer a liquidity discount.

4.7 Risks of investing in New Tidewater Shares by accepting the Offer

The specific risk factors associated with investing in Tidewater by accepting the Offer are discussed in section 6.4 of the Bidder's Statement (as supplemented by the First Supplementary Bidder's Statement) and section 1.2 of this Target's Statement.

In respect of whether or not there is a liquid market for Tidewater Shares, information available on ASX's website (www.asx.com.au) indicates the following levels of trading of Tidewater Shares.

Date	Number of Tidewater Shares traded
4 January 2008	1,179
3 January 2008	Nil
2 January 2008	Nil
31 December 2007	Nil
28 December 2007	Nil
27 December 2007	Nil
24 December 2007	900
21 December 2007	400
20 December 2007	Nil
19 December 2007	Nil
18 December 2007	Nil
17 December 2007	Nil
14 December	30,000
13 December	20,000
12 December	7,900
11 December	Nil
10 December	Nil
7 December	Nil
6 December	Nil
5 December	Nil

4 December	Nil
3 December	Nil
30 November	Nil
29 November	Nil
28 November	Nil
27 November	Nil
26 November	Nil
23 November	Nil
22 November	5,100

4.8 Conditions to the Offer

The Tidewater Offer is subject to a number of conditions. Those conditions are set out in full in section 8.11 of the Bidder's Statement. By way of summary, they include (but are not limited to) the following:

- (a) None of the events described in section 652C of the *Corporations Act* (each referred to as a 'prescribed occurrence') occurs between the Announcement Date and the end of the Offer Period.
- (b) Neither GLC, nor a subsidiary of GLC, during the Offer Period:
 - appointing a liquidator or provisional liquidator;
 - being the subject of a court ordered winding up;
 - having an administrator appointed;
 - executing a deed of company arrangement; or
 - having a receiver or a receiver and manager appointed to the whole or a substantial part of its property.
- (c) Pursuant to section 625(3) of the *Corporations Act*, each Offer is also subject to a condition that permission for admission to quotation of the Tidewater Shares to be issued under the Offer is granted by no later than 7 days after the end of the Offer Period.

As at the date of this Target's Statement, other than as disclosed in this Target's Statement, the Independent Directors are not aware of the existence of any matter that may prevent fulfilment of those conditions.

4.9 Notice of status of conditions

Section 8.12 of the Bidder's Statement indicates that Tidewater will give a notice regarding the status of conditions of the Offer to the ASX and GLC on 23 January 2008. Tidewater is required to set out in its notice of status of conditions:

- whether the Offer is free of any or all of the conditions;
- whether, so far as Tidewater knows, any of the conditions have been fulfilled;
and
- Tidewater's voting power in GLC.

If the Offer Period is extended by a period before the time by which the notice of status of conditions is to be given, the date for giving the notice of status of conditions will be

taken to be postponed for the same period. In the event of such an extension, Tidewater is required, as soon as practicable after the extension, to give a notice to the ASX and GLC that states the new date for the giving of the notice of status of conditions.

If a condition is fulfilled (so that the Offer becomes free of that condition) during the Offer Period but before the date on which the notice of status of conditions is required to be given, Tidewater must, as soon as practicable, give the ASX and GLC a notice that states that the particular condition has been fulfilled.

4.10 Extension of the Offer Period

Tidewater may (but need not) extend the Offer Period at any time before giving a notice regarding the status of conditions (referred to in section 4.9 of this Target's Statement) while the Offer remains subject to conditions. If the Offer conditions are satisfied or if Tidewater declares the Offer to be free of all conditions, however, Tidewater may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last seven days of the Offer Period:

- (a) Tidewater improves the Offer Consideration; or
- (b) Tidewater's voting power increases to more than 50%.

If either of the events in paragraph (a) or (b) above occurs, the Offer Period will be automatically extended so that it ends 14 days after the relevant event occurs.

4.11 Withdrawal of the Offer

Tidewater may not withdraw the Offer made to you if you have already accepted it. Tidewater may, however, withdraw the Offer prior to your accepting the Offer, with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

4.12 Accepting Tidewater's Offer

You can accept Tidewater's Offer in respect of all or any of your GLC Shares and hold or sell on market the balance (if any) of your GLC Shares. If you accept Tidewater's Offer and make the Cash Election, you will receive \$0.145 cash for each GLC Share. If you accept Tidewater's Offer but do not make the Cash Election, you will receive the Share Alternative.

4.13 Effect of acceptance

The effect of acceptance of the Offer is set out in section 8.7 of the Bidder's Statement. GLC Shareholders should read these provisions in full to understand the effect that acceptance will have on their ability to exercise the Rights attaching to their GLC Shares and the representations and warranties which they give by accepting the Offer.

4.14 Your ability to withdraw your acceptance

You have limited rights to withdraw your acceptance of the Offer.

You may only withdraw your acceptance of the Offer if Tidewater varies the Offer in a way that postpones, for more than one month, the time when Tidewater needs to meet its obligations under the Offer. This will occur if Tidewater extends the Offer Period by more than one month and the Offer is still subject to conditions.

If you accept Tidewater's Offer in respect of your GLC Shares (even while the Offer is still subject to conditions) you will give up your right to sell or otherwise deal with those GLC Shares.

4.15 When you will receive your consideration if you accept the Offer

Subject to the terms of the Offer, if you accept the Offer (and return all required documents with your acceptance) and the Offer conditions are satisfied (or waived by Tidewater), you will be provided the consideration under the Offer on or before the earlier of:

- 1 month after you accept the Offer or, if this Offer is subject to a condition when accepted, 1 month after the contract resulting from your acceptance becomes unconditional; and
- 21 days after the end of the Offer Period.

4.16 Effect of an improvement in the Offer Consideration

If Tidewater improves the Offer consideration, all GLC Shareholders who accept the Offer, whether or not they have accepted the Offer before that improvement in the consideration, will be entitled to the benefit of that improved consideration.

4.17 Lapse of Offer

The Offer will lapse if the Offer conditions are not freed or fulfilled by the end of the Offer Period. In that case, your acceptance of the Offer (and any contract that results from your acceptance) is void. In that situation, you will be free to deal with your GLC Shares as you see fit, that is, as if Tidewater had never made its Offer.

4.18 Taxation consequences for GLC Shareholders

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations for Australian resident individual taxpayers of accepting the Offer is set out in section 7 of the Bidder's Statement. The outline in the Bidder's Statement is not intended to be an authoritative or complete analysis of the taxation implications of accepting the Offer, and does not take into account the specific circumstances of any particular GLC Shareholder.

You should carefully read the outline in the Bidder's Statement and consider the taxation consequences that may arise as a result of holding an ownership interest in Tidewater. GLC and its advisers do not accept any liability or responsibility in respect of any statement concerning the taxation consequences of accepting the Offer or in respect of the taxation consequences themselves. You should seek your own independent professional

taxation advice as to the taxation implications applicable in your own specific circumstances.

4.19 Foreign Shareholder issues

The information contained in this section is only a general summary of the way Tidewater's Offer applies in relation to foreign persons and foreign countries. If you are a person who is a resident of a foreign country, is in a foreign country or to whom offers of securities are governed by the laws of a foreign country, or you are a person acting on behalf of or for the account of such a person, you should refer to all relevant parts of the Bidder's Statement and First Supplementary Bidder's Statement including section 8.10 of the Bidder's Statement.

(a) General

Tidewater's Offer is subject to the disclosure requirements of the Commonwealth of Australia, which are different from those of the United States, the European Union and other countries. Financial statements referred to in this Target's Statement have been prepared in accordance with Australian accounting principles, and that may not be comparable to the financial statements of the United States, the European Union, or other jurisdictions.

The Tidewater Shares available under Tidewater's Offer have not been registered under the Securities Act 1933 of the United States of America and may not be offered or sold in the United States or to US persons (other than distributors) unless the securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available.

(b) Foreign Shareholders

If you are a Foreign Shareholder and you accept the Offer:

- YOU WILL NOT BE ENTITLED TO RECEIVE AND WILL NOT RECEIVE ANY TIDEWATER SHARES;
- any Tidewater Shares to which you would otherwise have been entitled under the Offer will be issued to a nominee to be sold; and
- the proceeds of sale (after allowing for costs and expenses) will be sent to you as described in the Bidder's Statement.

(c) Non-Australian residents

If you are not a resident of Australia, you will not be entitled to receive the Offer Consideration until you have satisfied Tidewater that:

- you have obtained all necessary authorities or clearances of the Reserve Bank of Australia (whether under the Banking (Foreign Exchange) Regulations or otherwise) or of the Australia Taxation Office; and
- you have complied with all statutory requirements in Australia or elsewhere which are applicable to the sale of your GLC Shares, their transfer to Tidewater, and the receipt by you of the consideration for them.

4.20 Compulsory acquisition

In its Bidder's Statement, Tidewater states that if it becomes entitled to compulsorily acquire GLC Shares at any time during or at end of the Offer Period, it intends to do so.

(a) Post-bid compulsory acquisition

Tidewater may compulsorily acquire all remaining GLC Shares under Part 6A.1 of the *Corporations Act* if, at any time during or at the end of the Offer Period, Tidewater and its associates:

- have a relevant interest in at least 90% (by number) of the GLC Shares; and
- have acquired at least 75% (by number) of the GLC Shares that Tidewater offered to acquire under the Offer (whether the acquisitions happened under the Offer or otherwise).

If these thresholds are met, Tidewater will have up to one month after the end of the Offer Period within which to lodge a compulsory acquisition notice with ASIC and to send the notice to ASX and GLC Shareholders who have not accepted Tidewater's Offer.

The consideration per GLC Share under compulsory acquisition must be the same as the Offer Consideration.

The *Corporations Act* provides GLC Shareholders with rights to challenge compulsory acquisition in Court. The Court may only prevent the compulsory acquisition from proceeding if the Court is satisfied that the consideration is not fair value for the securities.

GLC Shareholders should be aware that if they do not accept the Offer and their GLC Shares are compulsorily acquired under Part 6A.1 of the *Corporations Act*, they will face delay in receiving the consideration for their GLC Shares compared with GLC Shareholders who have accepted the Offer.

(b) Post-bid compulsory buy out

If Tidewater and its associates have relevant interests in at least 90% (by number) of GLC Shares at the end of the Offer Period, Tidewater must offer to buy out the remaining holders of GLC Shares under Division 2 of Part 6A.1 of the *Corporations Act*.

5. Additional information

5.1 Directors' interests in GLC Shares

The Directors have the interests in GLC securities shown below:

	Number	% of all GLC Shares	Nature of interest
Mark Smith	5,000	0.02	Direct
Robert van Veenendaal	95,000	0.32	Direct and indirect
Andrew Brown	6,825,169	22.75	Indirect
Clare Porta	6,825,169	22.75	Indirect

5.2 Dealings in GLC securities

No GLC Shares were acquired or disposed of by any Independent Director within the four month period preceding the date of this Target's Statement.

Clare Porta and Andrew Brown have made the following acquisitions of GLC Shares, over the past four months preceding the date of this Target's Statement:

Date	Shares	Consideration
3-Sep-07	20,000	\$3,033
4-Sep-07	70,000	\$10,969
7-Sep-07	135,400	\$21,848
12-Sep-07	40,700	\$6,378
19-Sep-07	4,255	\$667
22-Nov-07	241,501	\$33,889
23-Nov-07	66,964	\$10,108
26-Nov-07	18,500	\$2,712
28-Nov-07	58,000	\$8,503
29-Nov-07	1,000,000	\$146,595
3-Dec-07	13,123	\$1,924
4-Dec-07	47,010	\$6,891
6-Dec-07	226,875	\$33,259
7-Dec-07	30,000	\$4,397
11-Dec-07	20,000	\$2,932

19-Dec-07	46,775	\$6,621
20-Dec-07	10,000	\$1,415
20-Dec-07	3,225	\$456
21-Dec-07	3,000	\$425
21-Dec-07	29,285	\$4,145
24-Dec-07	2,052	\$290
24-Dec-07	37,433	\$5,298
27-Dec-07	10,000	\$1,415
28-Dec-07	86,000	\$12,172
31-Dec-07	87,500	\$12,739
03 - Jan-08	30,000	\$4,246
03 - Jan-08	457,602	Offer acceptances
04 - Jan-08	102,000	\$14,437
04 - Jan-08	1,688,987	Offer acceptances

5.3 Directors' interests in Tidewater Shares

The Directors have the interests in Tidewater securities shown below:

	Number	Voting power	Nature of interest
Mark Smith	Nil	Nil	Nil
Robert van Veenendaal	Nil	Nil	Nil
Andrew Brown	4,147,222 ordinary shares, and 490,834 primary options	23.02%	Direct and Indirect
Clare Porta	15,000 ordinary shares	00.09%	Direct

5.4 Dealings in Tidewater securities

There have been no acquisitions or disposals of Tidewater Shares by GLC or any associate of GLC in the four months prior to the date of this Target's Statement.

5.5 No agreements conditional on, or in connection with, the Tidewater Offer

There is no agreement or arrangement made between any Director and any other person in connection with, or conditional on, the outcome of the Tidewater Offer.

5.6 No interest in contracts with Tidewater

No Director has any interest in any contract entered into by Tidewater or any director, related body corporate or associate of Tidewater, except as set out below:

Andrew Brown is the Managing Director of Tidewater Investments Limited and has a current employment contract with Tidewater to 28 July 2008, subject to annual renewal thereafter.

5.7 No agreement to receive any benefit from Tidewater

No Director, related body corporate or associate of GLC has agreed, or is entitled, to receive any benefit whatsoever from Tidewater or any director, related body corporate or associate of Tidewater, or any benefit on retirement from office, except as set out below:

Andrew Brown is the Managing Director of Tidewater Investments Limited and has a current employment contract with Tidewater to 28 July 2008, subject to annual renewal thereafter.

5.8 GLC's issued capital

As at the date of this Target's Statement, GLC's issued capital consisted of 30,000,001 GLC Shares.

5.9 Management agreement

The management agreement between GLC and GCAM was terminated on 2 October 2007. This decision was reached after non executive Directors, not associated with GCAM, concluded negotiations with GCAM. The termination of the management agreement was without penalty to GLC and preserved GLC's full rights.

5.10 Independent Expert is to be compensated for its report

The Independent Expert was retained to provide a report of Tidewater's Offer. The terms of the engagement of the Independent Expert require payment of fees to the Independent Expert. GLC has also agreed to indemnify the Independent Expert against certain liabilities incurred in connection with its engagement. GLC understands that the terms of engagement are consistent with standard practice.

5.11 Litigation

At the date of this Target's Statement, neither GLC nor its subsidiaries are involved in any material disputes or litigation.

5.12 Consents to statements included in Target's Statement

This Target's Statement contains statements which are made, or are based on statements which are made, in documents lodged by Tidewater or another person with ASIC or given to ASX. In accordance with ASIC Class Order 01/1543, the consent of those persons is not required for the inclusion of such statements. Any Shareholder who would like a

copy of any of those documents may obtain a copy (free of charge) during the Offer Period by writing to GLC, Level 3, 88 George Street, Sydney, NSW 2000.

This Target's Statement contains statements made by, or statements stated in this Target's Statement to be based on statements made by, one or more of the Directors. Each Director has given, and has not withdrawn before the date of this Target's Statement, his consent to the inclusion of such statements in the form and context in which they appear.

This Target's Statement contains statements made by, or statements said to be based on statements made by, WHK Horwath Corporate Finance Limited. WHK Horwath Corporate Finance Limited has consented to the inclusion of each statement it has made in the form and context in which the statements appear and has not withdrawn that consent at the date of this Target's Statement.

Minter Ellison have given, and have not withdrawn before the date of this Target's Statement, their consent to being named as legal adviser to GLC in this Target's Statement in the form and context in which they are named.

Computershare Investor Services Pty Limited has given, and has not withdrawn before the date of this Target's Statement, its consent to being named as GLC's share registry and note registry in this Target's Statement in the form and context in which it is named.

As permitted by ASIC Class Order 03/635, this Target's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

Pursuant to ASIC Class Order 03/635, the consent of persons to whom such statements are attributed is not required for the inclusion of those statements in this Target's Statement.

5.13 Disclaimers

Each person named in section 5.12 as having given its consent to the inclusion of a statement or being named in this Target's Statement:

- (a) does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based other than, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement which has been included in this Target's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement which has been included in this Target's Statement with the consent of that party.

The information on Tidewater in this Target's Statement has been obtained by GLC from the Bidder's Statement, the First Supplementary Bidder's Statement and other publicly available information, except where disclosed otherwise. GLC and its Independent Directors are unable to verify the accuracy or completeness of the information on Tidewater, or in the Bidder's Statement or the First Supplementary Bidder's Statement.

5.14 Other sources of information

You should seek legal, financial or taxation advice from your professional advisor. Announcements made to ASX by GLC and other important information including GLC's financial statements and directors' report for the financial year ended 30 June 2007 is available on GLC's website: www.goldlinkgrowthplus.com.au. You should also review Tidewater's Bidder's Statement.

5.15 No other material information

This Target's Statement is required to include all the information that GLC Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- only to the extent to which it is reasonable for Shareholders and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any Director of GLC.

Your Independent Directors are of the opinion that the information that GLC Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer are:

- the information contained in the Bidder's Statement and the First Supplementary Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- the information contained in GLC's releases to the ASX, and in the documents lodged by GLC with ASIC, before the date of this Target's Statement; and
- the information contained in this Target's Statement.

Your Independent Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement and the First Supplementary Bidder's Statement is accurate. However, your Independent Directors do not take any responsibility for the contents of the Bidder's Statement or the First Supplementary Bidder's Statement, and are not to be taken as endorsing, in any way, any or all statements contained in it

In deciding what information should be included in this Target's Statement, the Independent Directors have had regard to:

- the nature of the GLC Shares;
- the matters that Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to Shareholders' professional advisers; and
- the time available to GLC to prepare this Target's Statement.

5.16 Approval of Target's Statement

This Target's Statement has been approved by a resolution passed by the Directors.

Signed by a Director, pursuant to section 351 of the *Corporations Act*.

A handwritten signature in blue ink, appearing to be 'M. Smith', written in a cursive style.

Mark Smith
Director

6. Definitions and interpretation

6.1 Definitions

In this Target's Statement:

Acceptance and Transfer Form	means the form of that name included with Tidewater's Bidder's Statement.
Announcement Date	means the date on which Tidewater announced its intention to make the Bid, being 20 November 2007.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited or, as the context requires, the financial market operated by it.
Bidder's Statement	means the bidder's statement issued by Tidewater and dated 4 December 2007.
Bid Period	means the period from when the Bidder's Statement was given to GLC until offers under the Offer cease to remain open.
Board	means the Board of Directors of GLC.
Cash Election	means an election to receive \$0.145 cash for each GLC Share accepted into the Offer instead of New Tidewater Shares.
CGT	means capital gains tax.
Company	means GoldLink GrowthPlus Limited ABN 48 111 695 357
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Director	means a director of GLC.
DAL	Discount Assets Limited ABN 45 123 993 153.
Election Response Form	means the form included with Tidewater's First Supplementary Bidder's Statement.
First Supplementary Bidder's Statement	means the supplementary bidder's statement issued by Tidewater and dated, and lodged with ASIC on, 17 December 2007.
Florin	means Florin Mining Investment Company Limited ABN 60 111 170 882
Foreign Shareholder	has the meaning given to that term in section 10 of the Bidder's Statement.
GCAM	means GoldLink Capital Asset Management Limited ABN 27 103 567 291.
GLC	means GoldLink GrowthPlus Limited ABN 48 111 695 357.
GLC Share	means fully paid ordinary share in GLC.

GLC Shareholder or Shareholder	means a person registered in the register of members of GLC as a holder of GLC Shares.
GLC or Company	means GoldLink GrowthPlus Limited ABN 48 111 695 357.
GLC Share	means a fully paid ordinary share in GLC.
GLC Shareholder or Shareholder	means a person registered in the register of members of GLC as a holder of GLC Shares.
GST	means goods and services tax.
Gulf	means Gulf Resources Limited ABN 13 115 027 033.
Independent Directors	means Mark Smith and Robert van Veenendaal.
Independent Expert	means WHK Horwath Corporate Finance Limited
Merged Group	has the meaning given to it in section 10 of the Bidder's Statement.
New Tidewater Shares	means a Tidewater Share to be issued to GLC Shareholders who accept the Offer and do not make the Cash Election.
Offer	means the off-market takeover bid constituted by each offer Tidewater has made to purchase GLC Shares
Offer Period	means from 18 December 2007 to 5.00pm on 31 January 2008, unless extended.
Offer Consideration	means the consideration offered by Tidewater under the Offer.
Record Date	has the meaning given to that term in section 8.5(a) of the Bidder's Statement.
Share Alternative	has the meaning given to it in section 3.2 of this Target's Statement.
Target's Statement	means this Target's Statement.
Tidewater	means Tidewater Investments Limited ABN 52 601 746 710.
Tidewater Offer, Tidewater's Offer or Offer	means the off-market takeover bid constituted by each offer Tidewater has made to purchase GLC Shares.
Tidewater Share	means a fully paid ordinary share in Tidewater.
VWAP	volume weighted average price.

6.2 Interpretation

In this Target's Statement, unless the context otherwise requires:

- (a) the singular includes the plural and vice versa and words importing one gender include other genders;
- (b) terms defined in the *Corporations Act* as at the date of this statement have the meanings ascribed to them in the *Corporations Act* at that date;
- (c) a reference to any currency is a reference to Australian currency unless otherwise stated;

- (d) a reference to a statute of any parliament or any section, provision or schedule of a statute of any parliament includes a reference to any statutory amendment, variation or consolidation of the statute, section, provision or schedule and includes all statutory instruments issued under the statute, section, provision or schedule;
- (e) a reference to a paragraph, section, schedule, appendix or annexure is a reference to a part of this statement and a reference to this statement includes any schedules, appendices and annexures; and
- (f) headings are used for reference only.

**GOLDLINK GROWTHPLUS LIMITED
A.C.N 111 695 357**

INDEPENDENT EXPERT'S REPORT

on the Offer by Tidewater Investments Ltd
to the shareholders of GoldLink GrowthPlus Ltd
as required under section 640 of the
Corporations Act 2001 (Cth).

Prepared by
WHK Horwath Corporate Finance Limited

7 January 2008

7 January 2008

The Board of Directors
GoldLink GrowthPlus Limited
Level 3
88 George Street
THE ROCKS NSW 2000

Dear Sirs,

INDEPENDENT EXPERT'S REPORT

1 Introduction

On 18 December 2007, Tidewater Investments Limited ("**Tidewater**") made an offer to acquire all the issued share capital of GoldLink GrowthPlus Limited ("**GLC**"), hereafter referred to as the "**Offer**". A supplementary bidder's statement was released on 18 December 2007.

The terms of the Offer are set out in the Bidder's Statement and the accompanying Target Statement of which this Report forms part.

Under the Offer, current GLC shareholders may elect to receive either:

- 3 New Tidewater shares for every 14 GLC shares held, rounded up to the nearest whole number ("**Share Alternative**"); or
- a cash payment of 14.5 cents per GLC share held ("**Cash Alternative**"), as set out in the Target Statement.

Under the Share Alternative, shareholders will be issued fully paid shares which will rank equally for dividends and other rights in all respects, with existing Tidewater shares.

Foreign shareholders in GLC will not be issued new Tidewater shares. An ASIC approved nominee appointed by the Bidder will receive the New Tidewater shares to which foreign GLC shareholders are entitled and sell the shares on behalf of these shareholders who will then receive the proceeds of the sale (less any expenses incurred during the sale process). The cash alternative is not available to foreign shareholders.

To assist GLC shareholders in deciding whether to accept the Offer, the independent Directors of GLC have appointed WHK Horwath Corporate Finance Limited ("**WHK Horwath Corporate Finance**") as an Independent Expert to express an opinion addressing whether or not the Offer is fair and reasonable to the shareholders.

WHK Horwath Corporate Finance is independent of Tidewater and has no involvement with, or interest in, the outcome of the Offer other than the preparation of this report.

2 Summary Conclusion

2.1 Key Valuation Conclusions

Under the Offer, current GLC shareholders may elect to receive either:

- 3 New Tidewater shares for every 14 GLC shares held, rounded up to the nearest whole number ("**Share Alternative**"); or
- a cash payment of 14.5 cents per GLC share held ("**Cash Alternative**").

To assess whether the Offer is fair and reasonable to GLC Shareholders we have firstly evaluated whether the Tidewater offer is fair by determining the value of one GLC share and comparing this to the consideration per share offered by Tidewater. In order to compare the value of the consideration per share offered by Tidewater, we have also determined the value of one Tidewater share. The value of both the GLC shares and New Tidewater shares have been determined by estimating the value of the Net Assets ("NA") of GLC and Tidewater respectively and assessing the subsequent premium implied in the Tidewater offer. Our findings are summarised in the table below.

We have compared the value of each GLC share to the consideration offered under the Share Alternative and Cash Alternative.

Evaluation of Offer				
	Ref	Share Alternative		Cash Alternative
		Low	High	
GLC value per share	Sec 9	14.21	14.21	14.21
<i>Consideration:</i>				
Number of Tidewater shares offered per GLC share (Note 1)		0.2143	0.2143	n/a
Tidewater value per share (midpoint)	Sec 11	67.26	69.36	n/a
Total Consideration offered per GLC share		14.41	14.86	14.50

Note 1

Effective share offer based on 3 New Tidewater shares to every 14 current GLC shares.

We have calculated the indicative value of GLC to be 14.21 cents per share on an undiluted basis.

Under the Share Alternative, we have calculated the value of the Offer to be in the range of 14.41 cents and 14.86 cents per GLC share. Since the assessed market value of the Share Alternative value range is greater than the assessed market value of GLC shares, the Offer under the Share Alternative is fair.

Under the Cash Alternative, Tidewater is offering 14.50 cents per GLC share in cash. Since the assessed market value of the consideration being paid is greater than the assessed market value of GLC shares, the Offer under the Cash Alternative is fair.

2.2 Summary of Opinion

We are of the opinion that the Offer is both fair and reasonable to GLC shareholders in the event the shareholder elects for the Share Alternative or the Cash Alternative.

The Share Alternative is Fair

In our opinion, the consideration being offered under the Share Alternative of the Offer is greater than our assessed value of GLC shares. Accordingly, we are of the opinion that the Share Alternative of Offer is fair to the shareholders.

The Share Alternative is Reasonable

As we have concluded that the Share Alternative of the Offer is fair we also conclude that it is reasonable. Notwithstanding this conclusion, we also assessed that the advantages of the Offer to the shareholders outweigh the disadvantages (as set out in Section 12 of this Report), which also supports our conclusion that the Offer is fair and reasonable.

The Cash Alternative is Fair

In our opinion, the consideration being offered under the Cash Alternative of the Offer is greater than our assessed value of GLC shares. Accordingly, we are of the opinion that the Cash Alternative of Offer is fair to the shareholders.

The Cash Alternative is Reasonable

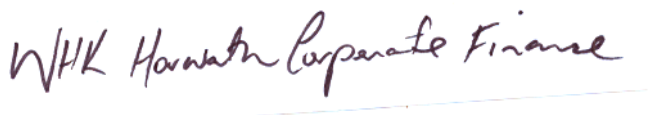
As we have concluded that the Cash Alternative of the Offer is fair we also conclude that it is reasonable. Notwithstanding this conclusion, we also assessed that the advantages of the Offer to the shareholders outweigh the disadvantages (as set out in Section 10 of this Report), which also supports our conclusion that the Offer is fair and reasonable.

3 Other

This letter is a summary of WHK Horwath Corporate Finance's opinion on the Offer. This letter should be read in conjunction with the detailed Report and appendices as attached. Unless the context requires otherwise, references to "we", "our" and similar terms refer to WHK Horwath Corporate Finance.

Yours faithfully

WHK HORWATH CORPORATE FINANCE LIMITED



A handwritten signature in dark ink that reads "WHK Horwath Corporate Finance". The signature is written in a cursive, flowing style. Below the signature, there is a faint horizontal line.

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4 Details of the Offer

4.1 Background

As set out in Section 1, Tidewater issued a bidder's statement on 4 December 2007 setting out its offer to acquire 100% of the existing fully paid ordinary shares of GLC.

4.2 Details of the Offer

Under the Offer, current GLC shareholders may elect to receive either:

- 3 New Tidewater shares for every 14 GLC shares held, rounded up to the nearest whole number ("**Share Alternative**"); or
- a cash payment of 14.5 cents per GLC share held ("Cash Alternative").

Under the Share Alternative, shareholders will be issued fully paid shares which will rank equally for dividends and other rights in all respects, with existing Tidewater shares.

Foreign shareholders in GLC will not be issued New Tidewater shares. An ASIC approved nominee appointed by the Bidder will receive the New Tidewater shares to which foreign GLC shareholders are entitled and sell the shares on behalf of these shareholders who will then receive the proceeds of the sale (less any expenses incurred during the sale process). The cash alternative is not available to foreign shareholders.

The full terms of the Offer are set out in the Bidder's Statement and the accompanying Target Statement of which this Report forms part.

5 Scope of Our Report

5.1 Purpose of the Report

Section 640 of the Corporations Act 2001 (Cth) (the “**Act**”) provides that an independent expert report stating whether the takeover offer is fair and reasonable, is required to be included in a target’s statement given in accordance with Section 638 of the Act if:

- (a) the bidder’s voting power in the target is 30% or more; or
- (b) for a bidder who is, or includes, an individual – the bidder is a director of the target; or
- (c) for a bidder who is, or includes, a body corporate – a director of the bidder is a director of the target.

Accordingly as Mr Andrew Brown and Ms Clare Porta are both directors of both Tidewater and GLC, an independent expert report is required to be prepared pursuant to Section 640(1)(c).

The independent Directors of GLC have appointed WHK Horwath Corporate Finance as an independent expert to express an opinion as to whether or not the Offer is fair and reasonable to the shareholders of GLC. This Report accompanies the Target’s Statement to be sent to the GLC shareholders.

5.2 Basis of Evaluation

The basis of our evaluation, valuation approach, decision criteria and evaluation process in relation to determining the above items are set out in the following sections within this Report.

In evaluating fairness and reasonableness, we have considered the requirements of the Corporations Act and relevant Regulatory Guides issued by ASIC. We have specifically referred to Regulatory Guide 111 and whether the Offer is “fair and reasonable”.

In forming our opinion on whether or not the Offer is fair and reasonable to the GLC shareholders we have:

- compared the fair market value of the GLC shares to be acquired, with the consideration to be paid under the both the Share and Cash Alternatives of the Offer; and
- compared the likely advantages and disadvantages of the Offer for GLC shareholders.

5.2.1 Fairness

Regulatory Guide 111 defines an offer being fair if the value of the offer price is equal to or greater than the value of the securities being the subject of the offer. The comparison must be made assuming 100% ownership of the target entity.

Accordingly we have assessed whether the Offer is fair by comparing the consideration offered by Tidewater with the value of GLC shares. We assessed the value of each GLC share by determining the current value of GLC as a whole and dividing this value by the number of shares on issue.

5.2.2 Reasonableness

Regulatory Guide 111 considers an offer to be reasonable if either the offer is fair, or despite the offer not being fair, but considering other significant factors, security holders should accept the offer in the absence of any higher bid before the close of the offer. In addition to determining whether the Offer is fair we have considered the following significant factors, recommended by ASIC Regulatory Guide 111, to assess their reasonableness:

- the existing ownership structure of GLC;
- the likely price and continued lack of market liquidity of GLC shares in the absence of the Offer;
- the likelihood of any alternatives to the Offer for GLC; and
- other implications for GLC shareholders rejecting the Offer.

5.3 Disclosure of Information

In preparing this Report, GLC and Tidewater have requested WHK Horwath Corporate Finance to limit the disclosure of some non-publicly available financial information relating to GLC and Tidewater's operations and financial performance. This request has been made due to the commercially sensitive nature of the financial and operational information which WHK Horwath Corporate Finance has had access to in the course of this assignment. The disclosure in this Report has been limited to the type of information that is publicly available.

5.4 Limitations and Reliance on Information

WHK Horwath Corporate Finance's opinion is based on economic, share market, business and trading conditions prevailing at the date of the announcement and any material subsequent events to the date of this Report. These conditions can change significantly over relatively short periods. If they did change materially, the valuation and our opinion could vary significantly.

This Report is based upon financial and non-financial information provided by GLC and its advisers. WHK Horwath Corporate Finance has considered and relied upon this information and has no reason to believe that any material facts have been withheld. The information provided to WHK Horwath Corporate Finance has been evaluated through analysis, inquiry and review for the purposes of forming an opinion as to whether the Offer is fair and reasonable to the GLC shareholders. However, WHK Horwath Corporate Finance does not warrant that its inquiries have identified or verified all of the matters that an audit, extensive examination or due diligence investigation might disclose.

An important part of the information used in forming an opinion as to fairness and reasonableness is comprised of the opinions and judgement of Management. This type of information was evaluated through analysis, inquiry and review. However, such information is often not capable of external verification or validation and has not been independently verified.

To the extent that there are legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, continuous disclosure rules, regulations, and policies, WHK Horwath Corporate Finance:

- assumes no responsibility and offers no legal opinion or interpretation on any issue; and
- has generally assumed that matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so and that there are no legal proceedings, other than as publicly disclosed.

6 Valuation Methodology

6.1 Overview

The best determinant of value is the price at which the business or a comparable business or an equity interest in that business has been bought or sold in an arms length transaction. In its absence, estimates of value are made using methodologies that infer value from other available evidence.

In order to calculate the fair market value of GLC shares, the consideration offered, and subsequently the fair market value of Tidewater Shares, we have considered the following generally accepted valuation methodologies.

6.2 Asset Based Methods

Asset based methods estimate the market value of a company's shares based on the realisable value of its identifiable net assets. Asset based methods include:

- net tangible assets;
- orderly realisation of assets; and
- liquidation of assets.

The ***net tangible assets method*** is based on the value of the assets of the business less certain liabilities, at book values, adjusted to market value.

The ***orderly realisation of assets method*** estimates fair market value by determining the amount that would be distributed to shareholders assuming the Company is wound up in an orderly manner realising a reasonable market value for assets.

The ***liquidation method*** is similar to the orderly realisation of assets method except for the fact that the liquidation method assumes the assets are sold in a shorter period, under a "distressed seller" scenario.

Although these approaches ignore the possibility that a company's value could exceed the realisable value of its assets, asset based methods are appropriate when companies are not profitable, not actively trading or a significant proportion of a company's assets are liquid, or (as in the case of GLC) a significant portion of their assets are cash.

6.3 Market Based Methods

Market based methods estimate a company's fair market value by considering the market price of transactions in its shares or the market value and valuation metrics of comparable companies. Market based methods include:

- capitalisation of maintainable earnings;
- analysis of a company's recent share trading history; and
- industry specific methods.

The ***capitalisation of maintainable earnings method*** estimates fair market value by multiplying the Company's future maintainable earnings by an appropriate capitalisation multiple. An appropriate earnings multiple is derived from price earnings multiples and market transactions involving comparable companies. The capitalisation of maintainable earnings method is appropriate where the Company's earnings are relatively stable and comparable companies have similar cost structures and growth profiles.

The **most recent share trading history** provides strong evidence of the fair market value of the shares in a company where they are publicly traded in an informed and liquid market.

Industry specific methods estimate market value using industry benchmarks. These methods generally provide less persuasive evidence on market value of a company, as they may not account for company specific factors. Industry specific methods are only used as a cross check to the primary valuation methodology.

6.4 Discounted Cash Flow Method

The discounted cash flow method estimates market value by discounting a company's future cash flows to their present value. This method is appropriate where a projection of future cash flows can be made with a reasonable degree of confidence for a period of at least 5 years. The discounted cash flow method is commonly used to value early stage companies or projects with a finite life.

6.5 Selection of Methodologies

In selecting our methodology, we have considered the following:

- the nature of the Offer;
- specific characteristics of the operations of GLC and Tidewater;
- the lack of available forecast cash flow information for a sufficient period; and
- access to publicly available valuation benchmarks, comparable company information and comparable company transactions.

The most reliable evidence as to the value of a business is the price at which the business or a comparable business has been bought or sold in an arm's length transaction. In their absence, estimates of value are made using methodologies that infer value from other available evidence.

6.5.1 Valuation Methodology – GLC

In view of GLC having no trading operations, we have estimated the fair market value of GLC shares using the net tangible assets method. Pursuant to ASIC Regulatory Guide 111.10, we are valuing GLC shares on a controlling basis.

6.5.2 Valuation Methodology – Tidewater

Tidewater's investments in listed shares fall within the scope of *AASB 139 Recognition and Measurement of Financial Instruments*, as they are financial assets. These investments are held for the purpose of trading and are accordingly classified as at fair value through the Statement of Financial Performance. This means that the changes in the fair value of investments are taken directly to the Statement of Financial Performance.

As a result of this accounting policy, Tidewater's financial performance is difficult to forecast as it is significantly influenced by movements in the fair value (market value) of its investments. In light of this earnings cannot be reasonably capitalised at a multiple of future maintainable earnings for valuation purposes.

Tidewater also holds Management Agreements with two investment funds which we consider to have intangible value as these assets generate earnings separate from the performance of the investment portfolio.

In view of these attributes, we have calculated the value of each Share held in Tidewater using the net assets method.

6.5.3 Valuation Cross Check

We have reviewed the market value of GLC and Tidewater shares as a cross check to the value calculated under our primary valuation methodology for each company. Due to the lack of liquidity in both GLC and Tidewater shares, we were unable to use this as our primary methodology for either company.

7 Industry

7.1 Introduction

GLC and Tidewater are both specialist listed investment companies. Tidewater also conducts a small fraction of its operations in the funds management industry. Both the listed investment company and fund management industries are detailed further below.

7.2 Investment Management / Diversified Financial Services Industry Overview

A listed investment company (“LIC”) is a publicly listed investment company which provides investors with exposure to a professionally managed and diversified portfolio of assets which may comprise of Australian shares, international shares, fixed income securities, property and unlisted private companies.

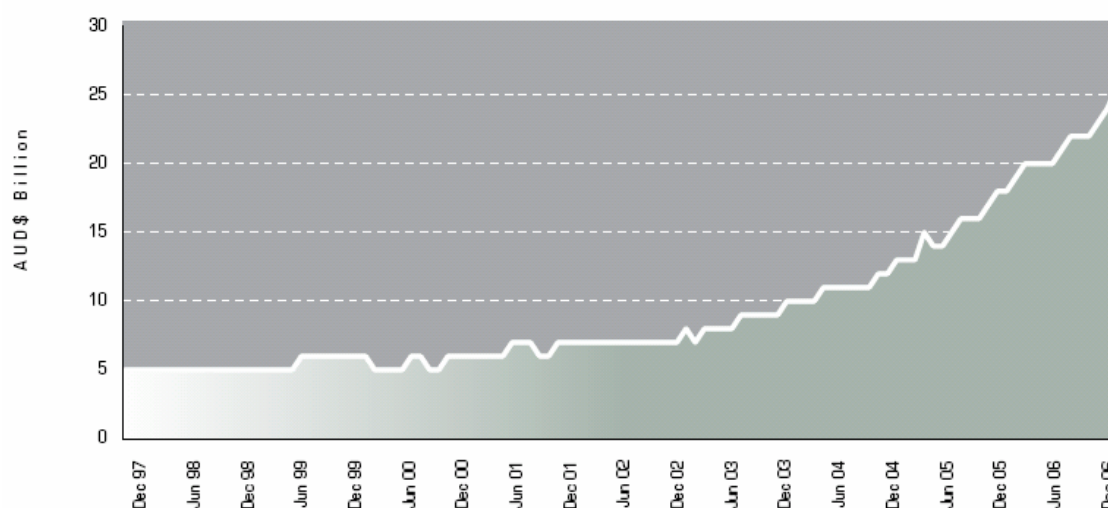
LICs are different to managed funds in that they do not regularly issue and cancel shares as investors enter and leave. Rather, they are closed end funds¹. The closed end structure of LICs allows LIC fund managers to concentrate on investment selection without having to factor in the possibility of money coming into or leaving the fund.

7.2.1 Growth

The first LIC was listed over 80 years ago and there are approximately 60 LICs on the ASX today. Although unlisted managed funds have traditionally been the vehicle through which investors could gain exposure to a diversified portfolio, LICs have recently grown in popularity as investors seek lower cost alternatives.

The following diagram illustrated the growth in listed investment companies over the last ten years.

Listed investment companies growth



Source: ASX Listed Investment Companies Fact Sheet: www.asx.com.au/lmi

¹ Investors buy and sell shares from each other through the stock exchange.

7.2.2 Benefits of Listed Investment Companies

The growth in the popularity of listed investment companies can be attributed to the following factors:

- **Low cost** - Since LICs are typically able to achieve lower operating costs, the management fees are significantly lower than some other investment vehicles. Like other shares, brokerage or an adviser's fee may apply.
- **Easy diversification** – LICs provide investors with the ability to simply and cost effectively establish a diversified portfolio of assets through a single security and may be used to complement other assets in an existing investment portfolio.
- **Experienced management** - Many LICs have seasoned investment managers or specialists who make investment decisions on behalf of their investors.
- **Capital appreciation and consistent income** - Over the long-term, a LIC's price may increase as the value of its portfolio increases. Investors benefit from regular dividends that are in most cases fully franked.
- **Exposure to specific investment sectors** - Some LICs invest in particular areas or assets, including wine, specialist finance, technology, venture capital, and international shares.
- **Taxation management** - Many LICs use a medium to long-term 'buy and hold' strategy. This may offer special tax treatments on the sale of investments, which can be passed on to investors.

7.2.3 Return to Investors

Most LICs distribute income in the form of fully franked dividends. For LICs with a dividend reinvestment plan, investors can choose to increase their investment exposure rather than receiving cash.

7.2.4 Players & Strategy

The major players in the LIC industry are listed in Section 7.3. Most of the recently listed LICs use different strategies to their more mature counterparts. Traditional LICs use a 'buy and hold' approach with diversification across a larger number of shares. Recent LICs have adopted more active management styles and a more concentrated portfolio philosophy.

7.2.5 Regulatory Environment

The LIC industry is primarily regulated by:

- **Australian Securities and Investments Commission ("ASIC")**: Responsible for ensuring that participants in the industry comply with relevant legislative requirements, including operational, disclosure and reporting requirements.
- **Australian Prudential Regulation Authority ("APRA")**: Establishes and enforces prudential standards and practices designed to ensure that entities that it regulates operate fairly and within a stable, efficient and competitive financial system.

7.3 Comparable Company Statistics

Detailed below are the trading multiples of comparable companies. These companies are the most directly comparable for valuation purposes.

GLC & Tidewater Comparable Company Overview					
Listed Investment Company	Last Price (\$)	Pre Tax NTA	Prem/ (Disc.)	Mkt Cap (\$m)	5 Yr pa Growth
Australian Shares					
Aberdeen Leaders	2.08	2.22	(6.7%)	119	14.7%
Amcil Ltd	0.79	0.83	(5.7%)	136	10.2%
Argo Investments	8.15	8.38	(2.8%)	4,621	12.5%
Australian Foundation Inv. Co.	6.11	6.14	(0.5%)	5,893	12.9%
Australian Leaders Fund	1.10	1.36	(23.8%)	86	8.0%
Australian United	9.00	9.65	(7.2%)	775	13.7%
Brickworks International Company	1.40	1.69	(19.7%)	402	9.8%
Carlton Investments	20.20	24.73	(22.4%)	536	12.8%
Century Australia Investments	1.34	1.38	(3.0%)	247	8.7%
Choiseul Investments	6.34	6.81	(7.4%)	517	13.1%
Clime Capital Limited	1.27	1.37	(8.3%)	48	6.8%
Contango Microcap	1.75	2.30	(31.6%)	202	13.6%
Diversified United	3.97	4.31	(8.6%)	492	14.2%
Djerriwarrh Investments	5.32	5.32	0.0%	1,082	13.2%
Emerging Leaders	1.07	1.40	(30.8%)	38	3.4%
Huntley Investment Co	0.90	1.03	(14.8%)	153	4.6%
Hyperion Flagship Investments	1.87	2.03	(8.7%)	51	12.4%
Ironbark Capital	0.67	0.66	1.0%	105	8.6%
Milton Investments	22.52	24.03	(6.7%)	1,904	13.3%
Mirrabooka Investments	2.30	2.53	(10.0%)	270	13.9%
MMC Contrarian	0.90	0.96	(7.0%)	231	2.4%
Premium Investors	1.16	1.27	(9.1%)	253	7.8%
Sylvastate Limited	5.10	5.93	(16.3%)	90	10.3%
van Eyk Three Pillars	1.28	1.42	(10.9%)	170	9.0%
Wallace Absolute Return	0.84	0.99	(17.4%)	74	6.5%
WAM Capital	1.71	1.82	(7.0%)	178	12.1%
Whitefield	4.52	5.17	(14.4%)	305	11.0%
Wilson Investment Fund	1.02	1.31	(28.4%)	123	7.1%
Class Average	4.10	4.54	(11.7%)	682	10.2%
Class Average (excl. high/low)	3.52	3.91	(11.4%)	507	10.4%
International Equities					
Bentley International	0.39	0.49	(27.0%)	15	2.9%
Hunter Hall Global Value	1.02	1.22	(19.6%)	398	6.0%
India Equities Fund Limited	1.20	1.35	(12.5%)	91	5.3%
Magellan Flagship Fund	0.78	0.96	(23.9%)	293	(1.8%)
Peters McGregor	0.96	1.19	(24.4%)	24	4.3%
Platinum Capital	1.64	1.57	4.3%	206	11.0%
Templeton Global Growth	1.27	1.42	(11.8%)	185	7.3%
Class Average	1.04	1.17	(16.4%)	173	5.0%
Private Equity					
Macquarie Private Capital Group	0.67	1.15	(73.1%)	72	4.1%
Sould Private Equity	0.23	0.29	(27.6%)	134	0.8%
Class Average	0.45	0.72	(50.4%)	103	2.5%
Specialist					
Global Mining Investments	2.05	2.35	(14.6%)	417	13.4%
LinQ Resources Fund	1.61	2.05	(27.3%)	362	11.7%
Class Average	1.83	2.20	(21.0%)	390	12.6%
Absolute Return Funds					
Cadence Capital Limited	1.05	1.27	(20.7%)	29	(0.4%)
HFA Accelerator Plus	0.98	1.39	(41.4%)	185	3.3%
Class Average	1.02	1.33	(31.1%)	107	1.5%
Other					
Commonwealth Diversified Share Fund	1.83	1.96	(7.4%)	91	15.3%
Average	3.10	3.47	(15.6%)	514	8.8%

Source: Prescott Securities Research Report: 20 December 2007.

We note that, often these companies are not exact comparable companies and as such we attempt to find proxies with similar attributes to GLC and Tidewater to determine a series of relevant valuation metrics. This assist us in ensuring metrics are industry and business type relevant.

7.4 Industry Trends

Premiums/Discounts to NTA

LICs often trade at a consistent premium or discount to NTA, with most LICs currently trading at a discount to their pre-tax NTA position as illustrated in the table in section 7.3. There is an observable difference between the LICs with market capitalisation of approximately \$100 million or above and those LICs with lower market capitalisation. The larger LICs are generally priced at a premium or small discount to their pre-tax NTA value, whereas the smaller LICs generally trade at a higher discount to the pre-tax NTA value.

Market Capitalisation

We have also reviewed the smallest 200 securities by market capitalisation which are part of the Australian All Ordinaries Index² and determined the average amount of shares traded in the prior 12 months as a percentage of the average total shares outstanding, to determine the liquidity of securities listed on the Australian Stock Market. We have also reviewed 42 listed investment companies as comparison to the Australian All Ordinaries.

We show the average percentage of total outstanding shares traded in the prior 12 months in the table below.

LIC Industry Volume of Shares Traded in last 12 Months				
	No. of Securities	Market Cap. (\$m)		Liquidity of Share
		Low	High	
Top 300 – 400 ASX Listed Companies	100	260	479	46.61%
Top 400 – 500 ASX Listed Companies	100	12	256	41.88%
ASX Listed Investment Companies	42	15	5,893	13.92%

Source: Bloomberg

As shown above, securities with a market capitalisation of between \$260 million and \$479 million traded an average of 46.61% of their total outstanding shares in the prior 12 months. Further, securities with a market capitalisation of between \$12 million and \$256 million traded an average of 41.88% of their total outstanding shares in the prior 12 months.

In contrast, we note that the listed investment companies only traded an average of 13.92% of the total outstanding shares in the prior 12 months. Based on the above analysis, we consider listed investment companies to be relatively thinly traded securities in comparison to the ASX market.

7.5 Conclusion on LIC Industry

The LIC industry is highly competitive and continues to experience high levels of growth as it is increasingly seen as a lower cost alternative for access to a more diversified portfolio

There is a level of risk inherent with the presence of larger players that are able to dominate the market particularly if they target certain generic products.

² The Australian All Ordinaries Index is made up of the largest 500 companies as measured by market capitalisation.

8 Profile of GoldLink GrowthPlus Limited

8.1 Background

8.1.1 Introduction

GLC is a publicly listed alternative investment company. It was initially incorporated on 8 November 2004 as a proprietary company, converting to a public company on 29 May 2005 and listed on the ASX on 2 August 2005. The company is registered in New South Wales and conducts its operations from its office in Sydney.

GLC's investment strategy was focused principally in the gold bullion market. This strategy involved benefiting from arbitrage opportunities in the gold forward market by taking advantage of inefficiencies in gold hedging, leasing rates and interest rates.

Following its poor performance during the year ended 30 June 2007, the Directors of GLC made a decision to cease the above investment strategy and resolved to seek new business opportunities for GLC.

8.1.2 Key Milestones

Summarised below are the key milestones of GLC since its incorporation in 2004.

GLC Key Milestones	
Date	Milestone
Nov-04	Incorporated as a proprietary company.
Apr-05	Appointed GoldLink Capital Asset Management as manager of its investment strategy.
May-05	Converted to a public company.
Aug-05	Raised \$30 million from public investors and listed on the ASX.
Aug-06	GLC's arbitrage book began to incur significant mark to market losses as a result of significant erosion in the value of gold call options of which GLC had significant holdings.
Apr-07	Non executive directors established a subcommittee to analyse and investigate the reasons behind the significant loss of portfolio value.
May-07	Used technical consultant in reaching the decision to limit and further losses in the portfolio.
Aug-07	Announced that all positions had been sold and losses arising from investment strategy had been fully realised.
Sep-07	Received proposal from Tidewater for GoldLink to acquire a subsidiary of Tidewater. Also received merger proposal via a scheme of arrangement from NSX listed Florin Mining Investment Company Limited.
Dec-07	Received bidder's statement from Tidewater setting out offer to acquire 100% of the shares in GoldLink.

8.2 Investment Strategy

As mentioned above, GLC's investment strategy was focused principally in the gold bullion market. Its strategy involved benefiting from arbitrage opportunities in the gold forward market by taking advantage of inefficiencies in gold hedging, leasing rates and cash interest rates.

GLC executed its complex strategy by borrowing gold bullion over short time periods with the aim of lending it long term at more advantageous rates. This is only possible in a bullion market where the forward price of gold bullion was greater than the spot price. The company purchased gold forwards and gold call options in order to hedge its longer term "sold" positions.

Despite material increases in the US\$ price of gold bullion – which was partly offset by the rise in the Australian dollar, there was a significant reduction in the levels of volatility attributed to the pricing of bullion options. Investors' perception of risk over the first three to four months of 2007 also reached cyclical low levels. This resulted in a significant dislocation of the relationship between rising or buoyant gold prices and higher volatility.

During the year ended 30 June 2007, GLC's investment portfolio was exposed to large and unpredictable movements in implied \$A gold option price volatility while the \$A gold price remained at historically high levels. This distorted the mark-to-market (MTM) value of the portfolio, particularly in April and May 2007 when option volatility levels crashed to low levels, significantly impacting GLC's portfolio value.

In April 2007, the independent non-executive directors of GLC established a sub-committee to analyse and investigate the reasons behind the significant loss of portfolio value. An external technical consultant was also used arriving at a decision in May 2007 to limit any further losses to the portfolio from reduction in option volatility. In August 2007, GLC announced that all positions had been closed out and losses arising from its investment strategy fully realised. The Directors of the Company sought alternative ways to rebuild the Company.

A number of corporate proposals including those from Tidewater and Florin Mining Investment Company were received in September 2007. The less formal offers did not progress to the stage of being either concluded or publicly announced. Tidewater withdrew its proposal as a result of making the Offer detailed in Sections 1 and 4.

8.3 GLC Team – Board of Directors

The Board of GLC has a majority of non-executive directors and is supported by a company secretary as detailed below:

GLC Directors and Company Secretary			
Name	Position	Date Appointed	Other Roles
Mark Smith	Executive Director	11/04/2005	Executive Director of GoldLink IncomePlus Limited.
Robert van Veenendaal	Non-executive Director	11/04/2005	Former Chief Operating Officer of GCAM.
Andrew Brown	Non-executive Director	2/10/2007	Managing Director of Tidewater Investments Limited.
Clare Porta	Non-executive Director	2/10/2007	Company Secretary of three ASX listed companies including Tidewater Investments Limited.
Anthony Suters	Company Secretary	8/11/2004	Company Secretary of GoldLink IncomePlus Limited.

8.4 Financial History

It should be noted that GLC has undergone a major restructure since April 2007 with its trading positions being closed, and as such the past financial performance of GLC is not indicative of its future performance. This has made any financial analysis around financial performance not relevant in assessing the value of the company. Information around the history and restructure of the company is outlined in section 8.1.2.

8.4.1 Financial Performance

Regardless of our opinion surrounding the relevance of GLC's financial performance, summarised in the table below is the operating performance of GLC during the years ended 30 June 2006, 2007 and the period ended 30 November 2007:

GLC			
Financial Performance (\$'000)			
	Year Ended 30 Jun 2006	Year Ended 30 Jun 2007	Period Ended 30 Nov 2007
Revenue			
Interest	853	1,078	292
Distribution income realised	763	647	0
Unrealised gain on short term investments	148	252	-
Investment portfolio realised	240	182	-
Change in fair value of investment portfolio	10,530	-	-
	12,534	2,160	293
Expenses			
Amortisation expense	422	1,985	-
Investment manager's fees	2,338	366	-
Change in fair value of investment portfolio	-	32,219	-
Other	555	658	407
	3,316	35,228	407
Loss before financing Income	9,219	(33,068)	(114)
Income tax benefit / (expense)	(2,674)	2,137	-
Net Profit / (Loss)	6,544	(30,932)	(114)

Source: GLC Annual Reports and Management Accounts (includes rounding)

8.4.2 Financial Position

The financial position of GLC as at 30 June 2006, 30 June 2007 and 30 November 2007 is summarised below:

GLC Financial Position (\$'000)			
	As at 30 Jun 2006	As at 30 Jun 2007	As at 30 Nov 2007
Current Assets			
Cash on Hand	15,243	27,419	4,309
Investments	14,002	1,103	-
Trade Debtors	182	11	-
Other Current Assets	-	-	-
Total Current Assets	29,427	28,533	4,309
Non-Current Assets			
Investment Portfolio	10,107	-	-
Deferred Tax Assets	1,059	-	-
Total Non-Current Assets	11,166	-	-
TOTAL ASSETS	40,593	28,533	4,309
Current Liabilities			
Trade and Other Payables	2,088	58	45
Investment Portfolio	-	24,097	-
Total Current Liabilities	2,088	24,155	45
Non-Current Liabilities			
Deferred Tax Liabilities	3,195	-	-
Total Non-Current Liabilities	3,195	-	-
TOTAL LIABILITIES	5,283	24,155	45
NET ASSETS	35,310	4,378	4,264
Equity			
Contributed Equity	28,770	28,770	28,770
(Accumulated losses)/Retained Earnings	6,540	(24,392)	(24,506)
Total Equity	35,310	4,378	4,264

Source: GLC Annual Reports and Management accounts (includes rounding)

8.5 Ownership Details

As at 10 December 2007, GLC had 30,000,001 fully paid ordinary shares on issue. The following table sets out the Top 20 shareholders in GLC, which comprise approximately 50% of the shares in the Company.

GLC		
Top 20 Shareholders as at 10/12/07		
Name	No. of Shares	% Held
Discount Assets Limited ³	3,880,260	12.93%
Gulf Resources Limited	1,599,512	5.33%
Mr Scott Andrew Reid	1,575,000	5.25%
Gulf Resources Ltd	1,150,000	3.83%
WJK Investments Pty Ltd	1,100,000	3.67%
Mr Eric George Baker & Mrs Janine Marie Baker	700,914	2.34%
Mrs Jane Carolyn Sharpington-Recny	500,000	1.67%
Wythenshawe Pty Ltd	500,000	1.67%
Mr Richard William Kovacs & Mr Conrad Anthony Kovacs	406,001	1.35%
Mining Investors Australia Pty Ltd	400,000	1.33%
Mentioner Investments Pty Ltd	400,000	1.33%
Mr Mark Perfrement & Mrs Linda Perfrement	380,803	1.27%
Wythenshawe Pty Ltd	373,600	1.25%
UBS Wealth Management Australia Nominees Pty Ltd	317,000	1.06%
Citicorp Nominees Pty Limited	303,000	1.01%
Acron Engineering (Aust) Pty Ltd	300,000	1.00%
Mr Andrew Kenneth Bruce Mortimer	300,000	1.00%
Mrs Janine Marie Baker & Mr Eric George Baker & Mr Robert Stanley Baker	274,462	0.91%
Michael Edward Sexton & Katherine Mary Sexton	264,000	0.88%
Warrambo Holdings Pty Ltd	250,000	0.83%
	14,974,552	49.91%

Source: GLC Company Register

Should the Offer be accepted by a proportion of GLC shareholders, one of the following scenarios is possible:

- Tidewater obtains only sufficient acceptances to increase its stake in GLC but not place it in a position of control ("**Increased Shareholding**"); or
- Tidewater obtains sufficient acceptances to give it a Relevant Interest in over 50% of the voting share capital of GLC, or such other position as providing Tidewater with effective control ("**Effective Control**"); or
- Tidewater obtains acceptances which would give it a Relevant Interest in over 90% of GLC shares ("**Full Control**"), under which Tidewater could move to compulsorily acquire the remaining shares.

³ 100% owned by Tidewater.

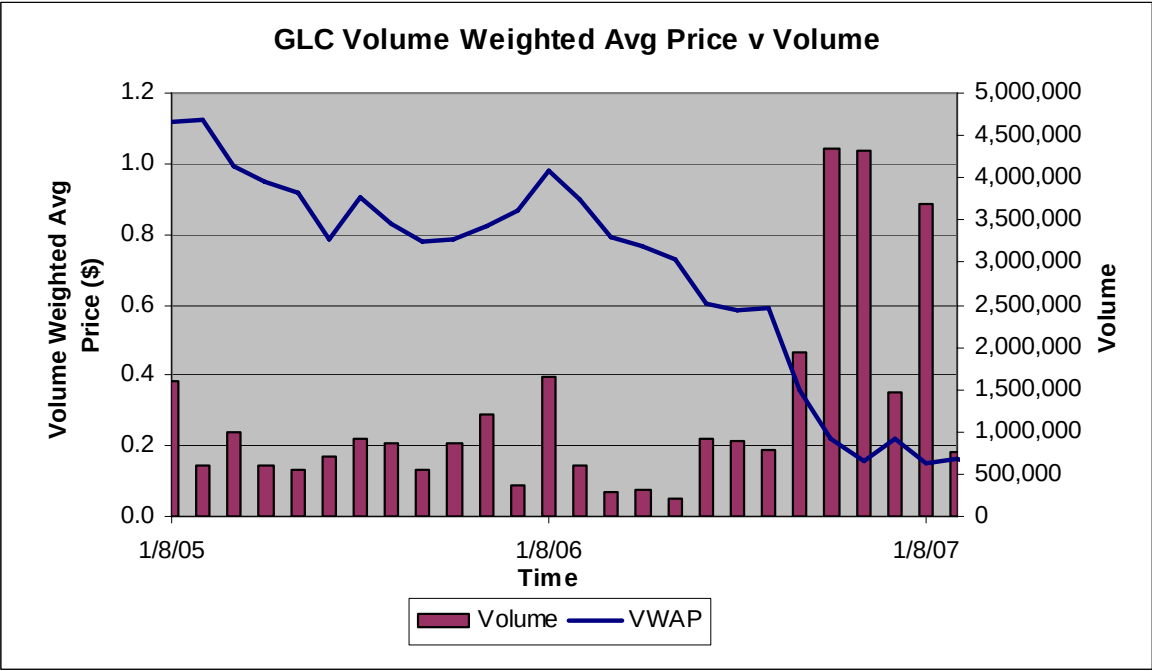
8.6 Share Price History

Tabulated below are historical market data of GLC shares, weekly for the three months to 4 January 2008 and monthly for the 12 months to 31 December 2007.

GLC						
Weekly for 3 Months						
Date	Share Price (\$)			Equity Weighted	Volume	
	Low	High	Last	Average Price		
Weekly:	12/10/2007	0.15	0.19	0.15	0.15	323,259
	19/10/2007	0.13	0.15	0.13	0.13	93,700
	26/10/2007	0.14	0.15	0.14	0.1433	142,630
	2/11/2007	0.13	0.15	0.13	0.13	210,533
	9/11/2007	0.13	0.15	0.13	0.13	47,366
	16/11/2007	0.13	0.14	0.13	0.13	90,136
	23/11/2007	0.13	0.15	0.15	0.1493	364,630
	30/11/2007	0.15	0.15	0.15	0.145	1,083,000
	7/12/2007	0.15	0.16	0.15	0.145	320,233
	14/12/2007	0.15	0.15	0.15	0.145	20,000
	21/12/2007	0.14	0.14	0.14	0.14	167,285
	28/12/2007	0.14	0.15	0.14	0.14	292,485
	4/01/2008	0.14	0.15	0.14	0.14	219,500

GLC						
Monthly for 12 Months						
Date		Share Price (\$)			Equity Weighted	
		Low	High	Last	Average Price	Volume
Monthly:	31/01/2007	0.60	0.74	0.61	0.60	904,153
	28/02/2007	0.55	0.62	0.57	0.58	887,047
	30/03/2007	0.57	0.62	0.59	0.59	790,030
	30/04/2007	0.35	0.60	0.35	0.36	1,939,619
	31/05/2007	0.21	0.38	0.22	0.22	4,348,001
	29/06/2007	0.14	0.24	0.16	0.16	4,317,818
	31/07/2007	0.16	0.27	0.22	0.22	1,455,376
	31/08/2007	0.13	0.20	0.15	0.15	3,679,426
	28/09/2007	0.15	0.17	0.17	0.17	764,916
	31/10/2007	0.13	0.19	0.13	0.13	1,088,683
	30/11/2007	0.13	0.15	0.15	0.15	1,593,798
	31/12/2007	0.14	0.16	0.14	0.14	887,503

Illustrated below is the historical monthly share price of GLC since incorporation on 8 November 2004, relative to its volume traded.



9 Value of GoldLink GrowthPlus

9.1 Valuation Summary

Utilising the net tangible assets methodology, we have calculated the indicative value of GLC to be 14.21 cents per share on an undiluted basis.

GLC		
Valuation Summary as at 30 November 2007		
Net Tangible Assets	\$'000	4,264
Adjustments	\$'000	Nil
Adjusted Net Tangible Assets Position	\$'000	4,264
Number of shares on issue (pre-transaction)	No.	30,000,001
Net Tangible Assets per share (pre-transaction)	cents	14.21

Based on the above analysis, we have concluded that the net tangible assets value of GLC is 14.21 cents per share.

We have not made an assessment as to a discount for minority interests in GLC. As outlined in Regulatory Statement 111.10 when valuing the target entity subject to a takeover offer, it is inappropriate to consider the percentage holding of the bidder and accordingly a discount for minority interests should not be applied⁴.

As a crosscheck we have reviewed the recent share trading history of GLC.

The last share price at the date of this Report is 14.00 cents per share. Since the announcement of the Offer on 20 November 2007 the share price has fluctuated between 13.00 cents per share and 15.50 cents per share. As at the date of this Report, the value weighted average price for the GLC shares for the ten trading days prior was 14.50 cents.

We have not adopted the ASX share price as a primary methodology for valuing the shares as the volume of trading over the preceding 12 months is not sufficient in number to be completely indicative of fair market value. However, we are of the opinion that the recent trading price supports our valuation determined using our primary methodology.

9.2 Calculation of Net Tangible Assets ("NTA")

As discussed in Section 6, we have adopted the net tangible assets method in assessing the equity value of GLC. We have reviewed the unaudited statement of Financial Position as at 30 November 2007 and note the only asset held is cash. Accordingly, we have not made an adjustment to the NTA position at 30 November 2007. Our calculation of NTA of GLC at the date of this Report is \$4.264 million.

We note however, in the absence of an alternative exit strategy, a clear direction forward or in the absence of acquiring or finding an operating business, GLC may experience deterioration in the financial position and result in a change in the net tangible asset position of GLC.

⁴ This includes takeover events where the shares being acquired represent a minority parcel of shares in the target entity.

9.3 NTA Value of GLC Shares

To calculate the NTA per GLC share we have divided the NTA value determined above by the 30.0 million shares on issue as at the date of this Report.

Our calculation of the NTA per share is detailed in the table below.

GLC Valuation Summary		
Net Tangible Assets	\$'000	4,264
Number of shares on issue pre transaction	No.	30,000,001
NTA per share pre transaction	Cents	14.21

As illustrated above, we have assessed that the fair market value per share of GLC is 14.21 cents.

9.4 Crosscheck Methodology – Market Value of Shares Quoted on ASX

This methodology relies on the market price of the share reflecting all available information given to a willing buyer and a willing seller.

Market value of listed shares on the ASX is influenced by many factors. These include but are not limited to:

- The value of the underlying assets of the company including intangibles;
- The industry in which the company operates;
- Managerial skills within the company;
- Future expectations for the company; and
- The prevailing market and economic conditions.

A change in these perceptions can significantly affect share value over a relatively short period. Share value is also influenced by supply and demand for the shares, or the liquidity of that stock. In Section 7.4 we noted that the liquidity of securities listed on the ASX traded on average 46.61% of the total shares outstanding over the past 12 months. It was further noted that the liquidity of listed investment companies on the ASX traded on average 13.92% of the total shares outstanding over the past 12 months.

Accordingly, although GLC shares are traded on the ASX, given the relatively low volume of shares traded, we have only used this method as a cross check, as the share price of thinly traded shares often does not fully represent the value of the underlying business assets and liabilities.

9.5 GLC Market Value of Shares as Quoted on the ASX

For the 12 months to December 2007, the monthly weighted average share price has remained between 13.00 cents and 60.25 cents.

The share price at the date of this Report is 14.00 cents per share. Since 1 November 2007 the closing share price has remained between 13.00 cents and 15.50 cents.

We show below the various volume weighted average price for the GLC shares to 7 January 2008 as follows:

GLC Volume Average Weighted Price to 7 January 2008	
	VWAP (cents)
1 Week	14.00
2 Weeks	14.00
1 Month	13.00
3 Months	14.02

We note, GLC shares have traded above the assessed value under our primary valuation, however, due to the low volume of shares traded we are of the opinion that this is not reflective of the underlying value of GLC shares. Based on our discussions with Management we also understand that the share price has been largely influenced by the two major shareholders buying shares prior to the last shareholder's meeting and should these shareholders cease buying shares they would expect the price to fall below the current share price.

In our opinion any attempt to dispose of a significant parcel of shares would result in a significant drop in the share price to the net tangible asset value. This is largely due to GLC having no business and no intangible assets at the date of this Report. Further from a commercial viewpoint, a company with only liquid assets such as cash is unlikely to be worth more than the value of those assets as a willing buyer can replicate this asset at the realisable market value.

10 Profile of Tidewater Investments Limited

10.1 Background

10.1.1 Introduction

Tidewater is a listed Australian investment company whose securities commenced quotation by ASX under its original name of Huntley's Business Network Limited on 14 April 2000. Tidewater is registered in New South Wales and conducts its operations in Sydney.

The company is a specialist investor in "microcap" Australian listed securities (generally those with a market capitalisation below \$20 million), with an emphasis on financial services. Tidewater has specialist management experience and expertise which it uses in the boutique funds management and financial services arenas to manage funds through vehicles such as unlisted unit trusts and investment companies.

On 12 March 2003, as a result of unsatisfactory financial performance following listing, the Directors of Huntley's announced their intention to sell the publishing and database assets of Huntley's and to acquire a private investment company, Loftus Lane Pty Limited, and its two controlled entities, from interests associated with Andrew Brown and Paul Young, who both became Directors of Tidewater at that time. This sale and subsequent acquisition of another investment company focussed the company's operations and strategy on investment.

Tidewater came into another revenue line in December 2005 when Andrew Brown, the managing director became a "key person" on the Australian Financial Services Licence ("AFSL") of Fat Prophets Funds Management Australia Pty Limited ("FPFMA"). FPFMA had a management agreement to manage the ASX listed investment company Fat Prophets Australia Fund Limited ("FAT"). FPFMA subcontracted its rights under the management agreement to Tidewater until the expiry date of the contract in April 2008. The contract was subsequently extended until 20 April 2010.

Tidewater strengthened its investment business in 30 November 2007 when it completed the purchase of all the shares in each of Cheviot Asset Management Pty Limited ("CAM") and Cheviot Kirribilly Limited ("CKL"), respectively the asset manager and Responsible Entity of the \$46 million ASX listed stapled entity, Cheviot Kirribilly Vineyard Property Group ("CKP"). Total consideration paid was \$1.0 million, being \$500,000 in cash and issuing 645,161 Tidewater Shares at an imputed price of \$0.775 per share to the vendor, Cheviot Bridge Limited.

10.1.2 Key Milestones

Detailed below are the key milestones of Tidewater since its securities commence Quotation by ASX on 14 April 2000.

Tidewater Key Milestones	
Date	Milestone
Apr-00	Commenced Quotation by ASX under its original name of Huntley's Business Network Limited ("Huntleys").
Mar-03	Sold publishing and database assets of Huntleys; changed name to Trent Capital Limited; acquired Loftus Lane Pty Limited and its two controlled entities; appointed new Board.
May-03	Raised \$3.3 million through a prospectus and placement to professional investors.
May-04	Raised \$3.6 million through a 1 for 2 non-renounceable rights issue.
Jun-05	Incurred pre-tax loss of \$2.0 million as a result of investments in G Retail and Signature Brands and other less significant write-downs.

Tidewater Key Milestones	
Date	Milestone
Dec-05	Managing Director of Trent Capital, Andrew Brown became a "key person" on the Australian Financial Services License ("AFSL") of Fat Prophets Funds Management Australia Pty. Limited ("FPFMA").
Mar-06	FPFMA sub-contracted its rights under the management agreement to manage the ASX listed investment company, Fat Prophets Australia Limited ("FAT") until April 2008 to Trent Capital.
Jun-06	Incurred pre-tax loss of \$2.1 million as a result of investments in G Retail and Signature Brands and other less significant write-downs.
Jul-06	Obtained an AFSL for a wholly owned subsidiary company of the bidder, being Tidewater Asset Management Pty Limited.
Oct-06	Changed name to Tidewater Investments Limited.
Dec-06	Placement of first tranche new shares to raise additional equity funds.
Mar-07	Placement of second tranche of new shares and Share Purchase Plan to raise additional equity funds.
May-07	Terms of FAT sub-contract extended to April 2010.
Jun-07	Generated net profit after tax of \$3.5 million.
Nov-07	Tidewater announced its intention to make a takeover offer for GLC.
Nov-07	Completed purchase of all the shares in both CAM and CKL for consideration of \$1.0 million, being \$0.5 million in cash and issuing 645,161 Tidewater Shares at an imputed price of \$0.775 per share to the vendor, Cheviot Bridge Limited.
Dec-07	Issued bidder's statement and supplementary bidder's statement in respect of offer to purchase all of the issued share capital of GLC.

10.1.3 Funds under Management

The recent purchase of CAM and CKL will bring Tidewater's total funds under management to over \$100 million and include the following management agreements:

- Fat Prophets Australia Fund Limited portfolio (\$48 million); and
- CKP portfolio (\$43 million)

10.1.4 Investments

The total funds under management figure of over \$100 million quoted above, also comprises the following:

- Tidewater Share Income Fund
- Internal Investment Portfolio

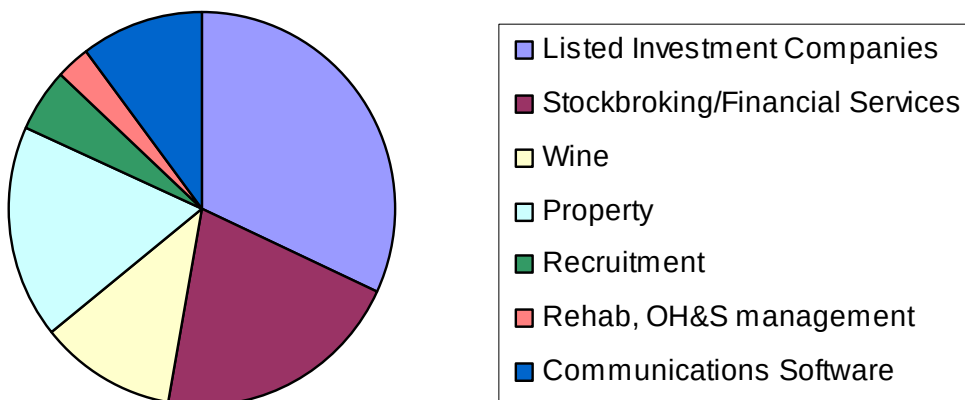
The following table illustrates Tidewater's principal investments valued over \$100,000 at 30 June 2007 and 31 October 2007.

Tidewater Principal Investments valued over \$100,000				
	As at 30 June 2007		As at 31 October 2007	
	Shares held	Value	Shares held	Value
Fat Prophets Australia Fund	1,741,346	\$1,834,134	1,741,346	\$1,816,912
Aequs Capital Limited	4,333,890	\$1,628,755	4,333,870	\$1,457,307
Dark Blue Sea Limited	1,642,109	\$1,396,679	1,642,109	\$1,867,653
Cheviot Bridge Limited	8,524,280	\$1,222,424	10,041,650	\$1,142,087
Snowball Group Limited	1,506,975	\$1,192,319	1,506,975	\$1,147,607
First Opportunity Fund	1,677,741	\$912,607	1,838,731	\$1,018,363
Pelorus Property Group	1,335,864	\$819,125	-	-
HJB Goup Limited	2,738,331	\$690,593	2,738,331	\$501,019
WRF Securities	1,593,167	\$677,526	1,593,167	\$724,795
Peters MacGregor Investments	633,476	\$669,301	663,476	\$649,616
Landmark White	691,621	\$444,609	691,621	\$485,469
Konekt Limited	246,717	\$390,492	3,862,505	\$592,103
Souls Private Equity	1,500,000	\$363,458	1,500,000	\$333,788
Desane Group Holdings	395,666	\$301,312	395,666	\$301,312
Coonawarra Australia P.T.	364,297	\$199,961	-	-
Global Masters Fund	179,364	\$192,551	201,151	\$188,947
Enerji Limited	5,052,903	\$164,912	5,052,903	\$153,771
Simon Gilbert Wines	2,600,100	\$146,575	2,600,100	\$141,432
National Leisure and Gaming	350,000	\$126,345	150,000	\$29,670
ING Private Equity Access	110,000	\$109,878	-	-
Tidewater Share Income Fund	-	-	700,000	\$715,120
GoldLink GrowthPlus	546,642	\$83,799	2,435,162	\$337,173
Datasquirt Limited	-	-	166,667	\$161,537
Total		\$13,567,355		\$13,765,681

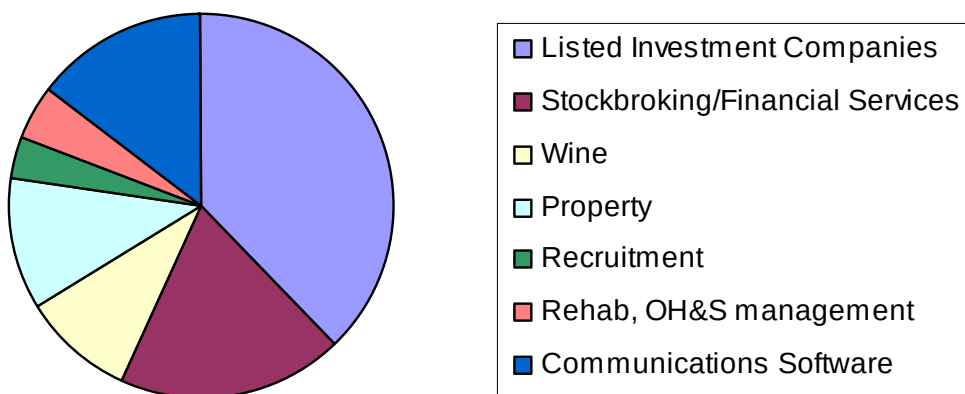
Source: Bidder's Statement

The following charts illustrate the asset classes into which Tidewater's principal investments valued over \$100,000 are categorised as at 30 June 2007 and 31 October 2007.

30 June 2007



31 October 2007



10.2 Investment Strategy

Tidewater's investment philosophy is based on the concept that superior investment returns can be achieved by identifying and exploiting behavioural and informational inefficiencies.

Its strategy is based on a valuation driven approach. Features of this approach include:

- willingness to encompass investment ideas from the largest to smallest capitalised companies;
- monitoring and assessment of global and domestic economic and financial trends with a view to incorporating desired biases within the portfolio;
- a disciplined process of bottom up security research and security selection to ensure any desired bias is reflected in appropriately valued securities;
- a disciplined process of security selection, portfolio construction, implementation and monitoring;
- a general bias towards smaller capitalised companies within portfolios given greater pricing versus value inefficiencies in the area and the flexibility afforded by modest funds under management;
- open debate within the team to ensure all aspects of a security position are discussed prior to taking the decision as to purchase/sale and level of exposure;
- risk management in portfolio construction to ensure that active risk is commensurate with return and liquidity constraints;
- flexible approach to equity dealing to reward suppliers who offer commensurate ideas; and
- outsourced back office processes to ensure the small team's attention is predominantly focused on idea generation.

This investment strategy has resulted in varied financial performance over the years as set out in Section 10.6.1.

10.3 Business Model

In line with its beliefs and investment strategy, Tidewater's business model comprises investment of its capital in the following three main areas:

- **Agency funds management** - Tidewater invests in products or companies with whom it has a contractual relationship or where it uses its capital to seed new funds and products.
- **Discount financial investments** – investing in ASX listed financial sector and asset holding company investments that are trading at a significant discount to an appraisal of their value.
- **Investments in (financial) distribution and network relationships** – partnering with like-minded financial businesses and individuals who have complimentary skills to those of the company, or with whom Tidewater wishes to further develop a business relationship.

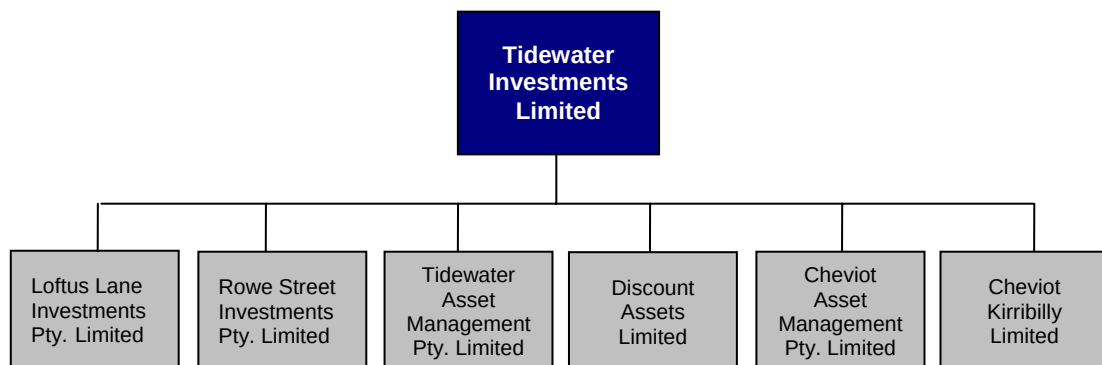
10.4 Tidewater Team – Board of Directors

The members of the Tidewater Board of Directors and the Company Secretary are listed below:

Tidewater Directors and Company Secretary			
Name	Position	Date Appointed	Other Roles within Tidewater
Andrew Brown	Executive Director	16/05/2003	Managing Director of Tidewater Investments Limited
Paul Young	Non-executive Director	16/05/2003	Chairman of the Tidewater Audit Committee
Stephen Roberts	Non-executive Director	12/07/2006	Member of the Tidewater Audit Committee
Clare Porta	Company Secretary	8/11/2004	Company Secretary of three ASX listed companies including Tidewater Investments Limited

10.5 Corporate Structure

Illustrated below is the Tidewater corporate structure, comprising Tidewater Investments Limited and its wholly owned subsidiaries, as at the date of this Report.



10.6 Financial History

Tidewater's financial profile is detailed below. The Company has seen significant improvement during the year ended 30 June 2007 compared to its performance in 2006. This was due mainly to a successful investment portfolio from year to year.

10.6.1 Operating Performance

Summarised below is the operating performance of Tidewater during the years ended 30 June 2006 and 2007:

Tidewater Operating Performance (\$'000)			
	Notes	Year ended 30 June 2006	Year ended 30 June 2007
Revenues	1	6,783	9,620
Other expenses		(8,693)	(5,938)
Finance Costs		(209)	(169)
Profit / (Loss) before Income tax		(2,119)	3,512
Income tax benefit / (expense)		2	4
Profit / (Loss) for the year		(2,117)	3,516

Source: Tidewater Annual Reports (includes rounding)

Note 1

Revenue was derived primarily from activities in equity investment, funds management and financial services. The significant improvement in the revenue figure compared to the 2006 financial year is a result of the increase in proceeds from investments and improved performance of the underlying investment portfolio.

Note 2

The reduction in expenses compared to the 2006 financial year is mainly as a result of the improved performance of the investment portfolio which was booked as a net expense in 2006 but as a revenue in 2007.

Summarised below is Tidewater's half yearly performance for the 2004, 2005, 2006 and 2007 financial years.

Tidewater Half Yearly Financial Performance (\$'000)						
Financial years ending June	Operating Profit (A)	Realised gains (i)	Net interest & dividends (ii)	Realised Investment return (i) + (ii) = (B)	Change in fair value of investments (C)	Pre tax Profit (A+B+C)
H1 2004	(231)	271	46	316	777	862
H2 2004	(136)	386	(13)	373	(824)	(587)
H1 2005	(198)	617	16	632	1,544	1,978
H2 2005	(94)	(429)	(81)	(511)	(3,402)	(4,007)
H1 2006	(172)	321	292	613	(596)	(154)
H2 2006	(78)	545	(59)	486	(2,373)	(1,965)
H1 2007	(24)	745	144	889	1,634	2,499
H2 2007	(144)	1,128	86	1,214	(56)	1,014

Source: Bidder's Statement

The table above reflects a high degree of variability in Tidewater's profit. Because of this invariability, it would not be feasible to value Tidewater using the capitalisation of future maintainable earnings methodology.

10.6.2 Financial Position

The financial position of Tidewater as at 30 June 2006, 30 June 2007 and 31 October 2007 is summarised below:

Tidewater Balance Sheet (\$'000)				
	As at June 2006	As at June 2007	As at October 2007	Pro-Forma October 2007
Current Assets				
Cash and cash equivalents	1,459	1,491	610	692
Financial Assets	6,676	14,001	14,086	13,586
Trade and other receivables	80	222	321	460
Total Current Assets	8,215	15,714	15,017	14,738
Non-Current Assets				
Financial assets	20	120	124	124
Property, plant and equipment	-	21	33	55
Deferred tax assets	101	87	87	87
Intangible assets	-	-	-	785
Total Non-Current Assets	121	228	244	1,051
TOTAL ASSETS	8,336	15,942	15,261	15,789
Current Liabilities				
Trade and other payables	156	174	139	166
Short term borrowings	2,500	2,500	2,500	2,500
Current tax liabilities	-	-	-	-
Total Current Liabilities	2,656	2,674	2,639	2,666
TOTAL LIABILITIES	2,656	2,674	2,639	2,666
NET ASSETS	5,679	13,268	12,622	13,123
Equity				
Issued Capital	10,078	14,151	14,150	14,651
Accumulated Losses	(4,399)	(883)	(1,528)	(1,528)
TOTAL EQUITY	5,679	13,268	12,622	13,123

Source: Tidewater Annual Reports, Management Accounts and Bidder's Statement (includes rounding)

We have shown above the proforma financial position of Tidewater as at 31 October 2007. The proforma adjustments include adjustments that have occurred in November 2007, being:

1. Consolidation of CAM and CKL into Tidewater occurred on 31 October 2007. The unaudited management accounts for CAM and CKL were prepared by the vendor, Cheviot Bridge Limited
2. Payment for CAM and CKL being \$500,000 cash funded from the sale of investments and the issue by Tidewater of 645,161 Tidewater Shares at an imputed price of 77.5 cents per Tidewater Share to the vendor, ;
3. Adjustments for purchases made by Tidewater in November 2007 of 1,429,920 GLC shares at a cost of \$208,852.

Accordingly the proforma net assets of Tidewater as at 31 October 2007 are \$13.123 million.

10.7 Ownership Details

The day immediately before the release of the Bidder's Statement release, being 3 Dec 2007, Tidewater had 17,366,841 shares on issue. The following table sets out the Top 20 shareholders in Tidewater, which comprise approximately 80% of the shares in the Company.

Tidewater Investments		
Top 20 Shareholders as at 3/12/07		
	No. of Shares	% Held
RBC Dexia Investor Services Australia Nominees	1,538,500	8.86%
A. Brown and Company Pty Limited	1,396,581	8.04%
Mrs Stephanie Philips	1,249,862	7.20%
Victor John Plummer	1,246,267	7.18%
Abron Management Services Pty Limited	1,026,815	5.91%
Invia Custodian Pty Limited	925,322	5.33%
Andrew John Brown	860,956	4.96%
Clapsy Pty Limited	712,008	4.10%
Cheviot Bridge Limited	645,161	2.73%
Pilrift Pty Limited	577,685	3.33%
Donna Ann Brown	524,781	3.02%
Invia Custodian Pty Limited	504,653	2.91%
Christopher Arthur Malin & Mrs Gabrielle Eve Malin	456,762	2.63%
Stephen Roberts & Mrs Megan Roberts	450,569	2.59%
Mr. Stephen Roberts	414,011	2.38%
Pacific Gold Resources	350,000	2.02%
L, T and M. Brown Investments Pty Limited	338,088	1.95%
Clapsy Pty Limited	318,245	1.83%
Pethol (Vic) Pty Limited	282,631	1.63%
Clapsy Pty Limited	275,849	1.59%
	14,094,746	80.19%
Other Shareholders	3,917,256	19.81%
Total as at 3 December 2007	18,012,002	100.00%

Source: Bidder's Statement for the acquisition of GLC by Tidewater

Should the Offer proceed, and assuming 100% of GLC shareholders accept the share offer, the pro-forma capital structure of Tidewater assuming full control of GLC will be as follows:

Tidewater		
Capital Structure post Offer		
	No. of Tidewater Shares	% Held
Existing Tidewater Shareholders	18,012,002	76.25%
GoldLink Shareholders	5,609,973	23.75%
	23,621,975	100.00%

Source: Bidder's Statement

The current shareholders of Tidewater would be diluted from their original 100% ownership of the company to approximately 76.25% representing a dilution of approximately 23.75%.

Additionally, there are 1,892,316 options on issue, comprised of both listed and unlisted options. The number of options on issue, exercise price and expiry term for each type of option is detailed in the table below. We note the options are out of the money. Accordingly, we have not taken them into account from a dilution perspective.

Tidewater Options on Issue			
Option Type	No. on Issue	Exercise Price (\$)	Expiry Date
Listed Primary Options ("TDIO")	1,792,316	1.25	31 May 2009
Secondary Options Type 1	Note 1	1.50	31 May 2014
Unlisted Options	100,000	0.90	30 June 2008
Secondary Options Type 2	Note 2	0.90	30 June 2013
Total Options on Issue	1,892,316		

Source: Annual report as at 30 June 2007

Note 1

As each Listed Primary Option is exercised, the option holder will receive a second option ("Secondary Options Type 1") in addition to the TDI ordinary share.

Note 2

As each Unlisted Option is exercised, the option holder will receive a second option ("Secondary Options Type 2") in addition to the TDI ordinary share.

10.8 Share Price History

Tabulated below are historical market data of Tidewater shares, weekly for the three months to 4 January 2008 and monthly for the twelve months to 31 December 2007.

Tidewater Weekly for 3 months						
	Date	Share Price (\$)			Equity Weighted	
		Low	High	Last	Average Price	Volume
Weekly:	12/10/2007	0.75	0.75	0.75	0.75	900
	19/10/2007	0.75	0.75	0.75	0.75	1,376.00
	26/10/2007	0.75	0.77	0.77	0.77	1,724.00
	2/11/2007	0.77	0.77	0.77	0.77	3,376
	9/11/2007	0.75	0.75	0.75	0.75	200
	16/11/2007	0.75	0.75	0.75	0.75	1,000
	23/11/2007	0.75	0.75	0.75	0.75	5,100
	30/11/2007	Nt	Nt	Nt	Nt	Nt
	7/12/2007	Nt	Nt	Nt	Nt	Nt
	14/12/2007	0.72	0.75	0.75	0.75	57,900
	21/12/2007	0.72	0.72	0.72	0.72	400
	28/12/2007	0.73	0.73	0.73	0.73	900
	4/01/2008	0.78	0.78	0.78	0.78	1,179

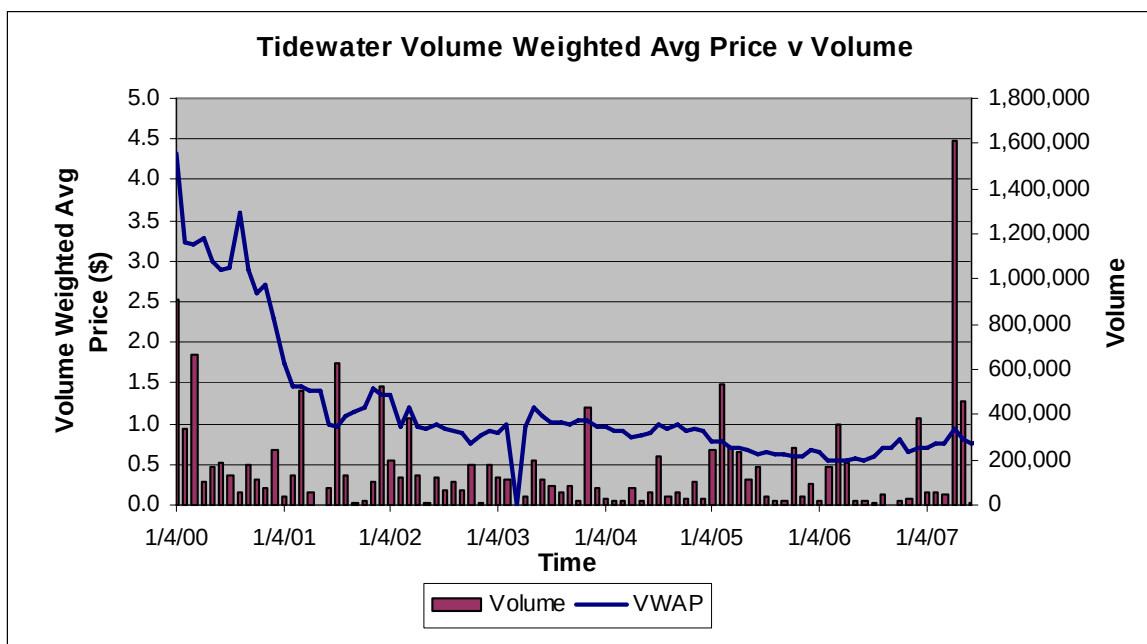
Source: Bloomberg

Nt – No trades

Tidewater						
Monthly for 12 Months						
	Date	Share Price (\$)			Equity Weighted Average Price	Volume
		Low	High	Last		
Monthly:	31/01/2007	0.66	0.80	0.80	0.80	15,450
	28/02/2007	0.65	0.80	0.66	0.66	31,593
	30/03/2007	0.66	0.72	0.70	0.70	387,852
	30/04/2007	0.70	0.71	0.71	0.71	56,892
	31/05/2007	0.65	0.85	0.75	0.76	51,942
	29/06/2007	0.75	0.77	0.76	0.76	43,932
	31/07/2007	0.75	0.94	0.94	0.94	1,614,266
	31/08/2007	0.75	0.85	0.80	0.80	459,977
	28/09/2007	0.74	0.79	0.79	0.75	8,000
	31/10/2007	0.75	0.80	0.77	0.77	19,476
	30/11/2007	0.75	0.75	0.75	0.75	6,300
	31/12/2007	0.72	0.75	0.73	0.73	59,200

Source: Bloomberg

Illustrated below is the historical monthly share price of Tidewater since it commenced quotation by the ASX on 14 April 2000, relative to the volume traded.



Source: Bloomberg

11 Value of Tidewater Investments Limited

11.1 Valuation Summary

Utilising the valuation of net assets methodology, we have calculated the indicative value of Tidewater to be in the range of 67.26 cents per share and 69.36 cents per share on an undiluted basis.

Tidewater Valuation Summary			
		Low	High
Net Asset Value per Share	<i>cents</i>	72.66	72.96
Discount Applied	<i>%</i>	7.5%	5%
Net Assets per share on a minority basis	<i>cents</i>	67.26	69.36

Based on the above analysis, we have concluded that the value of the consideration for those GLC shareholders who accept the Offer and elect for the Share Alternative to be between 14.41 cents and 14.86 cents per share.

As a crosscheck we have reviewed the recent share trading history of Tidewater.

The share price at the date of this Report is 78.00 cents per share. Since the announcement of the Offer on 20 November 2007 the share price has fluctuated between 72.00 cents per share and 78.00 cents per share. As at the date of this Report, the value weighted average price for the ten trading days prior was 74.75 cents.

We have not adopted the ASX share price as a primary methodology for valuing the shares as the volume of trading over the preceding 12 months is not sufficient in number to be indicative of fair market value. While we note Tidewater shares have traded above the assessed value under our primary valuation, in our opinion any attempt to dispose of a significant parcel of shares would result in a significant drop in share price to the net asset value. This is largely due to Tidewater being an investment company and limited intangible assets at the date of this Report. Further from a commercial viewpoint, a company with only liquid assets such as cash or listed investments is unlikely to be worth more than the value of those assets as a willing buyer can replicate this asset at the realisable market value. However, we are of the opinion that the recent trading price this supports our valuation determined using our primary methodology.

11.2 Valuation Methodology

As discussed in section 6.5.2, we have adopted the net asset valuation methodology to value Tidewater. This methodology comprises of:

1. Determining the net tangible asset value of Tidewater; and
2. Adding a value for the intangible assets of Tidewater, being the two management agreements held.

We detail our calculations below.

11.3 Calculation of Net Tangible Assets (“NTA”)

Our calculation of NTA of Tidewater at the date of this report is summarised in the table below:

Tidewater Pro Forma Net Assets	
	(\$'000)
Net Assets as at 31 October 2007	13,123
Adjustments	(1,007)
NTA Value	12,116

We have adjusted the NTA from the pro forma financial position as at 31 October 2007 to the date of this report for the following:

1. **Goodwill on consolidation of Cheviot Kirribilly Limited (“CKL”)** – Tidewater announced in September 2007 an agreement to purchase all the shares in CKL, the responsible entity of the ASX listed stapled entity Cheviot Kirribilly Vineyard Property Group. On 30 November 2007⁵, Tidewater completed the acquisition of CKL and accounted an amount for goodwill in respect of the acquisition to determine the unaudited management accounts as at 30 November 2007. Accordingly, we have subtracted the value of the goodwill from the net assets to determine a revised net tangible asset value.
2. **Identifiable Intangible Assets of Cheviot Asset Management (“CAM”)** – Tidewater announced in September 2007 an agreement to purchase all the shares in CAM, an asset manager of the ASX listed stapled entity Cheviot Kirribilly Vineyard Property Group. On 30 November 2007⁶, Tidewater completed the acquisition of CAM and recognised an amount for intangible asset in respect of the acquisition to determine the unaudited management accounts as at 30 November 2007. Accordingly, we have subtracted the value of the intangible asset from the net assets to determine a revised net tangible asset value as we have valued these separately.
3. **Ongoing Management Costs** – Based on our analysis of the Financial Performance of Tidewater, excluding investment performance (which has been addressed in point 4), we have made an adjustment for ongoing operating costs likely to be incurred between 31 October 2007 and the date of this report.
4. **Investment Portfolio** – As stated in the pro forma financial position as at 31 October 2007 in Section 10.6.2, Tidewater holds approximately \$13.6 million in listed financial investments. We have reviewed an updated investment portfolio and further reviewed the “mark to market” movement between 31 October 2007 and the date of this Report using investment valuations based on the one week volume weighted average prices for each of the investments. We have provided at Annexure C the one week, one month and three month volume weighted average prices for each of the investments which form part of our assessment. We have made an adjustment to reflect movement in the investment portfolio to the date of this Report.

In light of our adjustments, we have estimated an adjusted NTA of Tidewater at the date of this Report to be \$12.116 million. This excludes any value attributed to intangible assets which we address in the following section.

Based on a total shares outstanding of 18,012,002, we have calculated the adjusted NTA per share of Tidewater to be 67.26 cents.

⁵ ASX announcement on 3 December 2007

⁶ ASX announcement on 3 December 2007

11.4 Calculation of Management Agreements

As discussed in Section 10.1.3, Tidewater holds the rights to manage two investment portfolios, Fat Prophets Funds Management Australia and Cheviot Kirribilly Vineyard Property Group. We have considered these management agreements to hold characteristics of an intangible asset that would infer value.

In order to have value separately attributed to it, an intangible asset (being the management agreements) must materially exhibit the following characteristics⁷. The characteristics are as follows:

- ***Separately identifiable*** – Must be able to identify and estimate the future economic benefits, there are three categories that illustrate the nature of intellectual property being separately identifiable:
 1. royalties that clearly attach to the intellectual property;
 2. intellectual property with a number of assets and can be separated after analysis; and
 3. intellectual property that is so dependent on other assets it cannot be segregated.

The management agreements entitle the holder to fees income based on the management of specific investment portfolios. Therefore, we consider the management agreements to meet the criteria of being separately identifiable.

- ***Protected (or capable of being protected)*** – For an asset to retain or increase its value it must have some form of protection, whether patent, trademark, common law or barrier to entry. A lack of protection limits value, as it allows other parties to exploit the future benefits.

The management agreements entitle the holder to exclusive rights and accordingly are protected under a binding agreement. Therefore, we consider the management agreements to meet the criteria of being protected.

- ***Transferable*** – Fair market value implies that an asset can be sold. This does not necessarily mean by physical sale but can also include license or franchise.

The management agreements assign the rights to Tidewater, and accordingly, we consider the management agreements meet the criteria of being transferable.

- ***Enduring in nature*** – As value is based on future economic benefits, it is important that the asset is enduring in nature to be valuable.

The management agreements entitles the holder exclusive rights for a period of time, and accordingly, we consider the management agreements to meet the criteria of enduring in nature.

Following our review of the four valuation criteria, we have assessed the management agreements to materially satisfy the valuation criteria.

⁷ Wayne Loneragan, "The Valuation of Businesses, Shares & Other Equity" (4th Ed.)

We have utilised a Discounted Cash Flow (“**DCF**”) method to value the management agreements due to the limited terms of these agreements. Further details on the various valuation methodologies available are included at Annexure B. Our methodology included:

1. Review of the management agreements to determine pricing and key terms within;
2. Through discussions with Management, made an assessment as to the growth profile of each of the funds under management to determine the level of fees that is likely to be received by Tidewater;
3. Through review of and discussion with Management, estimate likely overheads attributable to the management agreements to determine a level of profitable earnings;
4. Review of Tidewaters and comparable company weighted average cost of capital to determine an appropriate discount rate;
5. Apply a suitable discount rate to the future cash flows of the management agreements until the maturity of the agreements.

Based on the above methodology, we have determined the value of the management agreements to be between \$0.982 million and \$1.035 million.

As a cross check to our value, we have utilised a percentage contribution to funds under management methodology which supports the value derived under the DCF valuation.

11.5 Valuation of Tidewater

Utilising the net assets methodology, we have calculated the indicative value of Tidewater to be in the range \$13.098 million and \$13.151 million by combining the net tangible assets in Section 1.2 and the value of the management agreements in Section 1.3.

Tidewater			
Net Asset Valuation as at 30 November 2007			
		Low	High
Adjusted NTA Value	\$'000	12,116	12,116
Value of Management Agreements	\$'000	982	1,035
Valuation of Tidewater	\$'000	13,098	13,151
Number of shares on issue pre transaction	No.	18,012,002	18,012,002
Net Asset per share pre transaction	<i>cents</i>	72.42	73.01

Based on the above analysis, we have determined the value of Tidewater to be between 72.42 cents and 73.01 cents per share on a controlling basis.

Shareholders who elect the Share Alternative will receive a minority parcel of Tidewater shares as consideration under the Offer. As outlined in Regulatory Guide 111.28 when assessing non-cash consideration, we must determine the value of the securities being offered as consideration and allow for a minority discount.

The above value of Tidewater is on a controlling basis. From our review of Tidewater and other LICs as set out in Section 7.4, we have determined that it is necessary to apply a discount of 5% to 7.5% to this controlling valuation to determine the value of Tidewater shares on a minority basis. This discount reflects our assessment of the lack of liquidity in Tidewater shares and the LIC sector as a whole and the lack of control associated with holding a minority parcel of Tidewater shares.

Tidewater			
Valuation Summary as at 30 November 2007			
		Low	High
Valuation of Tidewater	\$'000	13,098	13,151
Discount Applied	\$'000	7.5%	5%
Valuation of Tidewater on a minority basis	\$'000	12,116	12,494
Number of shares on issue pre transaction	No.	18,012,002	18,012,002
Net Assets per share on a minority basis	cents	67.26	69.36

Based on the above analysis, we have determined the value of Tidewater is between 67.26 cents and 69.36 cents per share on a minority basis.

11.6 Valuation of Consideration

To calculate the value to those GLC shareholders who accept the Offer and elect for the Share Alternative, we have determined the value of the consideration using the scrip for scrip formula as set out in the Bidder's Statement released on 4 December 2007 as follows:

Tidewater			
Valuation Summary of Consideration			
		Low	High
Value of Tidewater Share	cents	67.26	69.36
Multiple by number of Tidewater Shares as Consideration	No.	3	3
Divide by number of GLC Shares to be Released	No.	14	14
Valuation of Consideration – per GLC share	cents	14.41	14.86

Based on the above analysis, we have concluded that the value of the consideration for those GLC shareholders who elect to receive 3 Tidewater shares for every 14 GLC shares to be between 14.41 cents and 14.86 cents per share.

11.7 Cross Check Methodology - Market Value of Shares Quoted on ASX

As discussed in Section 6, we have adopted the market value of shares quoted on ASX as a cross check in valuing Tidewater. This methodology relies on the market price of the share reflecting all available information given to a willing buyer and a willing seller.

Market value of listed shares on the ASX is influenced by many factors. These include but are not limited to:

- The value of the underlying assets of the company including intangibles;
- The industry in which the company operates;
- Managerial skills within the company;
- Future expectations for the company; and
- The prevailing market and economic conditions.

A change in these perceptions can significantly affect share value over a relatively short period. Share value is also influenced by supply and demand for the shares, or the liquidity of that stock. In Section 7.4 we noted that the liquidity of securities listed with a market capitalisation of between \$260 million and \$479 million have an average of 46.61% of the total shares outstanding traded over the past 12 months. It was further noted that the liquidity of listed investment companies on the ASX traded on average 13.92% of the total shares outstanding over the past 12 months, in which Tidewater forms part of this group. Tidewater's liquidity is consistent with the industry.

Accordingly, although Tidewater shares are traded on the ASX, given the relatively low volume of shares traded, we have only used this method as a cross check, as the share price of thinly traded shares often does not fully represent the value of the underlying business assets and liabilities.

11.8 Tidewater Market Value of Shares as Quoted on the ASX

For the 12 months to December 2007, the monthly weighted average share price has remained between 65.50 cents and 93.50 cents.

The share price at the date of this Report is 78.00 cents per share. Since 1 November 2007 the closing share price has remained at around 75.00 cents.

We show below the various volume weighted average price for the Tidewater shares to 7 January 2008 as follows:

Tidewater Volume Average Weighted Price to 7 January 2008	
	VWAP (cents)
1 Week	72.00
2 Weeks	72.69
1 Month	77.00
3 Months	74.07

We note, Tidewater shares have traded above the assessed value under our primary valuation, however, due to the low volume of shares traded we are of the opinion that this is not fully reflective of the underlying value of Tidewater shares. In our opinion any attempt to dispose of a significant parcel of shares could result in a significant drop in value to the net asset value. This is largely due to Tidewater being an investment company and limited intangible assets at the date of this Report. Further from a commercial viewpoint, a company with only liquid assets such as cash or listed investments is unlikely to be worth significantly more than the value of those assets as a willing buyer can replicate this asset at the realisable market value.

12 Evaluation of the Offer

12.1 Approach

In evaluating whether the Offer is fair and reasonable to the shareholders of GLC, we have compared the value of the shares in GLC with the consideration being offered by Tidewater, under both the Share Alternative and the Cash Alternative.

In assessing whether the Offer is reasonable we have first considered whether the Offer is fair. Additionally, we have compared the potential advantages and disadvantages to GLC shareholders should the Offer proceed, compared to those should they not proceed, and we have determined whether the advantages outweigh the disadvantages.

12.2 The Offer is Fair

In summary, we have compared the value of each GLC share to the consideration offered under the Share Alternative and Cash Alternative.

Evaluation of Offer				
	Ref	Share Alternative		Cash Alternative
		Low	High	
GLC value per share	Sec 9	14.21	14.21	14.21
<i>Consideration:</i>				
Number of Tidewater shares offered per GLC share (Note 1)		0.2143	0.2143	n/a
Tidewater value per share (midpoint)	Sec 11	67.26	69.36	n/a
Total Consideration offered per GLC share		14.41	14.86	14.50

Note 1

Effective share offer based on 3 New Tidewater shares to every 14 current GLC shares.

We have calculated the indicative value of GLC to be 14.21 cents per share on an undiluted basis.

Under the Share Alternative, we have calculated the value of the Offer to be in the range of 14.41 cents and 14.86 cents per GLC share. Since the assessed market value of the Share Alternative value range is greater than the assessed market value of GLC shares, the Offer under the Share Alternative is fair.

Under the Cash Alternative, Tidewater is offering 14.50 cents in cash per GLC share. Since the assessed market value of the consideration being paid is greater than the assessed market value of GLC shares, the Offer under the Cash Alternative is fair.

12.3 The Offer is Reasonable

Under Regulatory Guide 111 if we assess the Offer as being fair, we must also assess the Offer as being reasonable. Notwithstanding our conclusion that the Offer is fair, we have provided an assessment of the likely advantages and disadvantages for the shareholders of GLC.

12.4 Assessment of Advantages and Disadvantages of the Offer

Our assessment of the likely advantages and disadvantages of the Offer for the shareholders of GLC is detailed below. It is our opinion that the advantages of the Offer outweigh the disadvantages, further supporting our conclusion that the Offer is fair and reasonable.

12.4.1 Advantages to GLC Shareholders from the Offer

The primary advantages to the shareholders of GLC in proceeding with the Offer are as follows:

- ***Offer is fair***

Our conclusion that the Offer is fair under both the Share Alternative and the Cash Alternative is an advantage to the shareholders and is one element to consider when assessing whether the Offer is also reasonable.

- ***Limited alternatives for the Company***

We have been advised there are no other meaningful alternatives for GLC at this time. The current two major shareholders of GLC are Tidewater and Gulf which have failed to agree on a common direction for GLC.

Further, if the Offer did not proceed and there were no other alternative proposals and in the absence of finding an operating business, the Company may incur an operating loss if the interest income does not cover the operating costs and as such may diminish the net asset position of GLC.

- ***Realisation of Cash***

For the GLC shareholders accepting the Cash Alternative, the Offer provides a solution for extracting a cash outcome. Further to this the GLC shareholders will be extracting the cash value at a premium to NTA.

- ***No Transaction Costs***

GLC shareholders who elect to accept the Cash Alternative will not incur any brokerage or other related transaction costs which would otherwise be incurred in the instance of selling shares.

- ***Shareholding in a Larger Company***

For the shareholders accepting the Share Alternative, the merged entity will provide a means for shareholders to join a larger company with a greater diversification of investments.

- ***Avoid Risk of Decreasing Share Price***

It is arguable that the current listed share price of GLC has been inflated due to the takeover offer of Tidewater and that current GLC shareholders are faced with the risk that in the event that they do not accept the Offer, the share price will decrease once the offer is concluded.

- ***Absence of any Other offers***

GLC's Independent Directors have indicated that they have sought other offers or alternative proposals in light of Tidewater's offer. In absence of any other offers shareholders should be made aware that in their opinion there is a low likelihood of there being an alternative bid which would match the current Tidewater offer.

12.4.2 Disadvantages to GLC Shareholders of the Offer

The primary disadvantages to the shareholders of GLC in proceeding with the Offer are as follows.

- ***Potential Deterioration in Tidewater Share Price***

Depending on the level of acceptances under the Cash Alternative, Tidewater may be required to realise part of its investment portfolio to fund the payment to GLC shareholders who accept the Cash Alternative. If these investments were to be realised at a discount to their value at the date of this Report, then the GLC shareholders accepting the Share alternative may be adversely impacted. As set out in the Target's Statement, the Independent Directors will monitor the potential impact of this during the Offer period and may provide updates to GLC shareholders if the position materially changes.

- ***Dilution of Interests***

In the instance of all GLC shareholders electing the Share Alternative, the existing GLC shareholders will be diluted from a 100% holding of one company to 76.25% of the total shares on issue in Tidewater.

- ***Consequence of being a Minority Shareholder in GLC***

In the instance of the offer being partially accepted by GLC shareholders and subsequently Tidewater controlling in excess of 50% but less than 90% of the total shares in GLC the following consequences can occur:

- i. Tidewater will be in a position to cast the majority of votes at a general meeting of GLC shareholders. This will enable it to control the composition of the GLC Board and any committees of the GLC Board, and subsequently control the strategic direction of GLC's business.
- ii. As Tidewater will be able to control the appointment of the GLC directors, it will have control of GLC's business planning, budgeting policies and dividend policy;
- iii. Tidewater will be able to control the appointment of key executives, including a new Chief Executive Officer, and staff remuneration policies.

- ***Cessation of Ownership and Forgoing Participation in Future Benefits***

Existing shareholders who elect the Cash Alternative will cease to receive the benefit of any income or capital growth that may be received if they continue to be a shareholder. The Independent Directors of GLC have indicated that they do not intend to invest with the cash and the Company has no current plans and hence we believe this risk is mitigated.

- ***Liquidity of Tidewater Shares***

Existing GLC shareholders who elect the Share Alternative will be subject to the liquidity of Tidewater Shares. As outlined in Section 7 of this Report, LICs compared with the ASX average are considered illiquid. Although we have determined the Share Alternative involves GLC Shareholders being issued New Tidewater shares at a premium to Tidewater's current value, the illiquid nature of the Tidewater shares may mitigate this premium received.

13 Qualifications, Declarations & Consents

13.1 Qualifications

WHK Horwath Corporate Finance provides corporate advisory services in relation to mergers and acquisitions, capital raisings, corporate restructuring and financial matters generally. One of its activities is the preparation of company and business valuations and the provision of independent advice and expert reports concerning mergers and acquisitions, takeovers and capital reconstructions.

The executives responsible for preparing this Report on behalf of WHK Horwath Corporate Finance are Phil Dymock B.Com CA and Andrew Fressl B.Com CA F Fin. Both Phil and Andrew have a significant number of years experience in relevant corporate advisory matters and are Representatives of WHK Horwath Corporate Finance pursuant to its Australian Financial Services Licence (Licence No. 239170) held under the Corporations Act 2001 (Cth).

13.2 Disclaimers

It is not intended that this Report be used or relied upon for any purpose other than as an expression of WHK Horwath Corporate Finance's opinion as to whether the Offer is fair and reasonable to GLC shareholders. WHK Horwath Corporate Finance expressly disclaims any liability to any person who relies or purports to rely on the Report for any other purpose and to any other party who relies or purports to rely on the Report for any purpose.

This Report has been prepared by WHK Horwath Corporate Finance with care and diligence and statements and opinions given by WHK Horwath Corporate Finance in this Report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading. However, no responsibility is accepted by WHK Horwath Corporate Finance or any of its officers or employees for errors or omissions however arising in the preparation of this Report, provided that this shall not absolve WHK Horwath Corporate Finance from liability arising from an opinion expressed recklessly or in bad faith.

13.3 Declarations

WHK Horwath Corporate Finance does not have at the date of this Report nor has had any shareholding in or other relationship with Tidewater that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer. WHK Horwath Corporate Finance had no part in the formulation of the Offer. Its only role has been the preparation of this Report. WHK Horwath Corporate Finance considers itself independent in terms of Regulatory Guide 112 issued by ASIC.

WHK Horwath Corporate Finance will receive a fee based on time costs. This fee is not contingent on the outcome of the Offer. WHK Horwath Corporate Finance will receive no other benefit for the preparation of this Report.

GLC has agreed that to the extent permitted by law that it will indemnify WHK Horwath Corporate Finance employees and officers in respect of any liability suffered or incurred as a result of or arising out of the preparation of this Report. This indemnity will not apply in respect of any conduct involving negligence or wilful misconduct. Tidewater has also agreed to indemnify WHK Horwath Corporate Finance and its employees and officers for time spent and reasonable legal costs and expenses incurred in relation to any inquiry or proceeding initiated by any person except where WHK Horwath Corporate Finance or its employees and officers are found liable for or guilty of conduct involving negligence or wilful misconduct in which case WHK Horwath Corporate Finance shall bear such costs.

Advance drafts of this Report (and parts of it) were provided to GLC and its advisers. Certain changes were made to this Report as a result of the circulation of the draft Report. There was no alteration to the methodology, valuation of the business operations of GLC, conclusions or recommendations made to GLC shareholders as a result of issuing the drafts.

13.4 Consents

WHK Horwath Corporate Finance consents to the issuing of this Report in the form and context in which it is to be included in the documentation to be sent to GLC shareholders in respect of the Offer. Neither the whole nor any part of this Report nor any reference thereto may be included in any other document without the prior written consent of WHK Horwath Corporate Finance as to the form and context in which it appears.

Annexure A – Financial Services Guide

The Corporations Act 2001 requires WHK Horwath Corporate Finance to provide this Financial Services Guide (“**FSG**”) in connection with its preparation and provision of an Independent Expert Report which is included in the Target Statement provided to members by the Company or other entities (“**Entity**”).

The matters covered by the FSG include:

- who we are and how we can be contacted;
- what services and types of products we are authorised to provide to you;
- how we are remunerated;
- independence; and
- complaints handling.

WHK Horwath Corporate Finance & Contacts

WHK Horwath Corporate Finance carries on business at Level 15, 309 Kent Street, Sydney NSW 2000. WHK Horwath Corporate Finance holds an Australian Financial Services Licence (No. 239170).

Services

We are authorised to:

- provide financial product advice for securities and derivatives; and
- deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and derivatives to wholesale and retail clients.

WHK Horwath Corporate Finance does not provide any personal retail financial product advice to retail investors nor does it provide market-related advice to retail investors.

For the specific purposes of preparing and providing the Independent Expert Report WHK Horwath Corporate Finance has not and does not accept instructions from retail clients, and has not and will not receive any remuneration from retail clients.

Remuneration

When providing reports, WHK Horwath Corporate Finance's client is the Entity to which it provides the report. WHK Horwath Corporate Finance receives its remuneration from the Entity. In respect of the Report for Tidewater, WHK Horwath Corporate Finance will receive a fixed fee plus reimbursement of out-of-pocket expenses for the preparation of the Report.

No related body corporate of WHK Horwath Corporate Finance, or any of the officers or employees of WHK Horwath Corporate Finance or of any of those related bodies or any associate receives any remuneration or other benefit attributable to the preparation and provision of the Report.

Independence

WHK Horwath Corporate Finance is required to be independent of the Entity in order to provide a Report. The guidelines for independence in the preparation of Reports are set out in Regulatory Guide 112 issued by ASIC.

The following information in relation to the independence of WHK Horwath Corporate Finance is stated in Section 13.3 of the Report:

“WHK Horwath Corporate Finance does not have at the date of this Report nor has had any shareholding in or other relationship with GLC or Tidewater that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Offer. WHK Horwath Corporate Finance had no part in the formulation of the Offer. Its only role has been the preparation of this Report. WHK Horwath Corporate Finance considers itself independent in terms of Regulatory Guide 111 issued by ASIC.

WHK Horwath Corporate Finance will receive a fee based on time costs. This fee is not contingent on the outcome of the Offer. WHK Horwath Corporate Finance will receive no other benefit for the preparation of this Report.”

Complaints Handling

WHK Horwath Corporate Finance has internal complaints-handling mechanisms and is a member of the Financial Industry Complaints Services' Complaints Handling Tribunal (No. F3823).

WHK Horwath Corporate Finance is only responsible for the Report and this FSG. Complaints or questions about the Target Statement should not be directed to WHK Horwath Corporate Finance which is not responsible for that document. WHK Horwath Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

Annexure B – Valuation Methodology of Intangible Assets

Once it has been determined that an intangible asset satisfies the above criteria, it is possible to attempt to value it using one of the following general approaches (although this does not necessarily infer value):

- **Market based** – Review of comparable market transactions;
- **Cost based** – Review of historical costs or replacement cost devoted to the intangible asset over time; and
- **Future earnings based** – Review of expected future economic benefits.

More specifically, the major methodologies are described below⁸:

- **Review of comparable transactions** is generally not ideal for the valuation of intangible assets since their value is often specific to the individual holder (or acquirer) and can vary considerably depending on this;
- **Historical and replacement cost** methods generally represent the minimum value of an intangible asset since they measure value (future benefit) with reference to past costs;
- **Value of business less Net Tangible Assets (“NTA”) employed** can be used as a cross-check of value, but is flawed as it does not consider individual intangible assets. Further, it captures both identifiable and non-identifiable intangibles, such as goodwill;
- **The gross profit and premium profit** methods require an in-depth knowledge and comparison with competitors. Excess returns must also be attributed to the specific identifiable intangible assets being valued;
- **Capitalisation of historical profits** is not appropriate since it is extremely difficult to isolate the effects of an intangible asset and impute this into a capitalisation multiple;
- **The notional maximum royalty payable and the relief from royalty** methods are commonly used in the valuation of brands, patents, licences and franchises. The royalty methods ask “what would someone reasonably pay for the right to exploit the intangible asset in question?” The royalty methods take a bottom-up approach in contrast to the top-down approach of most other methods; and
- **Net Present Value (“NPV”)** methods are typically the strongest measures of value, but since it is often not possible to accurately segregate the free cash flows attributable to each individual intangible, it is not appropriate in most circumstances.

⁸ *ibid.*

Annexure C – Tidewater Portfolio Average Weighted Price

We show below the one week, one month and three month volume average weighted price ("VWAP") for the period ending 7 January 2008 for each of the securities in Tidewater's investment portfolio with the value of holdings in excess of \$100,000.

Tidewater			
VWAP to 7 January 2008			
	Volume Average Weighted Price (\$)		
	1 Week	1 Month	3 Month
Fat Prophets Australia Fund	1.05	1.06	1.09
Aequus Capital Limited	0.35	0.37	0.33
Dark Blue Sea Limited	0.96	1.00	0.97
Cheviot Bridge Limited	0.11	0.12	0.12
Snowball Group Limited	0.70	0.77	0.75
First Opportunity Fund	0.56	0.56	0.55
HJB Group Limited	0.22	0.21	0.21
WRF Securities	0.45	0.46	0.51
Peters MacGregor Investments	0.97	0.98	0.98
Landmark White	0.70	0.70	0.67
Konekt Limited	0.16	0.18	0.12
Souls Private Equity	0.23	0.22	0.24
Desane Group Holdings	0.76	0.72	0.80
Global Masters Fund	0.95	0.92	0.96
Enerji Limited	0.02	0.02	0.03
Simon Gilbert Wines	0.06	0.06	0.05
National Leisure & Gaming	0.13	0.13	0.26
Goldlink GrowthPlus	0.14	0.15	0.17
Datasquirt Limited	0.85	0.85	0.90

Source: Bloomberg

We have used the above prices in our assessment of the investment portfolio in Tidewater.

Annexure D – Sources of Information

Sources of information include but are not limited to:

- Goldlink GrowthPlus Limited audited financial reports for the years ended 30 June 2005, 2006 and 2007;
- Tidewater Investments Limited audited financial reports for the years ended 30 June 2005, 2006 and 2007;
- Monthly unaudited Management Accounts for Goldlink GrowthPlus Limited for the period to 30 November 2007;
- Monthly unaudited Management Accounts for Tidewater Investments Limited for the current financial year;
- Budgets for Tidewater Investments Limited for the year ending 30 June 2008;
- Monthly Board Reports for Tidewater Investments Limited for the period between June 2006 and December 2007;
- Tax calculations for Tidewater Investments Limited for the period ended 30 June 2007;
- Monthly Directors meeting minutes for Goldlink GrowthPlus Limited for the period July 2006 and June 2007;
- Publicly available information, including bidders statement, Goldlink GrowthPlus Limited prospectus, ASX announcements and presentations for Goldlink GrowthPlus Limited and Tidewater Investments Limited;
- Various comparable company research and other information from Bloomberg;
- The Goldlink GrowthPlus Limited website, www.goldlinkgrowthplus.com.au;
- The Tidewater Investments Limited website, www.tidewater.com.au;
- Discussions with Management and Directors of Goldlink GrowthPlus Limited and Tidewater Investments Limited.

Corporate directory

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Robert van Veenendaal (Independent Director)
Andrew Brown
Clare Porta

Independent Expert

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