

# GPG

**Guinness Peat Group  
(Australia) Pty Limited  
ABN 13 052 245 191**

Level 41, Gateway  
1 Macquarie Place  
SYDNEY NSW 2000  
Telephone 61 2 8298 4300  
Facsimile 61 2 9251 9960

15 January 2010

The Company Announcements Platform  
ASX Limited

Dear Sir/Madam

**Off-market proportional takeover bid by GPG (No.4) Pty Limited for Tandou Limited**  
**Further extension of offer period**

GPG (No.4) Pty Limited (**GPG**), a wholly-owned subsidiary of Guinness Peat Group (Australia) Pty Limited, wishes to announce that it has varied its proportional takeover offer dated 6 October 2009 (**Offer**) for Tandou Limited (**Tandou**).

GPG has extended the offer period so that the Offer will remain open for acceptance until 7.00 pm (Sydney time) on 15 February 2010.

We attach:

- (a) a letter dated 14 January 2010 that GPG has sent to Tandou shareholders today;
- (b) a notice of variation lodged with the Australian Securities and Investments Commission on 14 January 2010;
- (c) a notice under ASX Listing Rule 3.2; and
- (d) a notice under section 630(2)(b) of the *Corporations Act 2001* (Cth), notifying the new date for giving the notice of the status of the condition.

Yours sincerely



Gary H. Weiss  
Director

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14 January 2010

Dear Fellow Shareholder

**EXTENSION OF TANDOU LTD TAKEOVER OFFER**

**LAST CHANCE TO ACCEPT**

**GPG's offer of 30c cash per share to buy 50%, or any lesser number, of your shares in Tandou Ltd has been extended until 15 February 2010 and WILL NOT BE EXTENDED FURTHER.**

**Time is Running Out!**

You will have received a Target Statement from the Board of Tandou setting out its response to the GPG offer.

**Strategy**

The Board's strategy for Tandou is, frankly, more of the same – seeking to want to trade water entitlements while, at the same time, operating a highly unpredictable farming venture.

GPG's view of the Board's strategy is:

- **It is confusing** – recently Tandou sold water entitlements to repay the company's crippling debt. Now Tandou is buying entitlements!!
- **It is risky and unpredictable** - in light of recent rainfall in Western New South Wales, there is a real likelihood of the company trying to resume farming operations. GPG estimates that funding of at least \$10m-\$15m will be required to achieve this, without any assurance of an acceptable return.

**WHERE IS THE MONEY TO COME FROM TO FUND THIS STRATEGY? FROM FURTHER CALLS ON SHAREHOLDERS? BY TAKING ON BANK DEBT AND AGAIN LEVERAGING THE COMPANY?**

Tandou has an extremely poor track record of delivering value to shareholders:

- It is now almost a decade since the company has seen a crop of real significance.
- Past equity raisings have delivered **NO** value to shareholders.
- **NO DIVIDENDS** have been paid to shareholders since 2003.
- The share price has gone nowhere.

If, as fellow shareholders, we continue supporting this "back-to-the-future", confused and risky strategy endorsed by the Board, we risk more of the same underperformance.

Just two years ago, Tandou was drowning in debt and on the verge of collapse. The company was forced to sell assets to repay its bankers. Why would shareholders now wish, once again, to risk gearing up an agricultural company with such an unpredictable and volatile future?

## Valuation

The Target Statement contains no new material information relating to the perceived value of the company.

Since 2008, the Board has stated its valuation of the company as similar to the \$0.64-\$0.68 range adopted in their Target Statement.

**HOWEVER THE COMPANY'S SHARES HAVE TRADED, AND CONTINUE TO TRADE, AT A SUBSTANTIAL DISCOUNT TO THIS VALUATION.**

Shareholders should also note that two similar listed companies that own farming and water assets also trade at significant discounts:

	<u>Share Price</u> <u>13 Jan. 2010</u>	<u>Net Asset</u> <u>Backing Per</u> <u>share</u>	<u>Discount</u>
Australian Agricultural Company	\$1.49	\$2.55#	42%
Prime Ag. Limited	\$1.02	\$1.93#	47%
Tandou	\$0.34	\$0.66*	48%

\* mid-point of Directors valuation.

# as per 30 June 2009 financial statements

Why would we as shareholders invest further money into Tandou, as the Board is indicating is its strategy, when all the evidence suggests that the shares will continue to trade at a significant discount? **Why invest \$1 when the market is likely to value that \$1 immediately at 50 cents?**

## **The choice for shareholders is clear**

Tandou shareholders are faced with the potential for continued substantial underperformance as a result of the confused, risky and unpredictable strategy followed by the Board.

Shareholders have two simple choices:

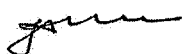
1. Do nothing and risk continued underperformance from a strategy that will likely involve again taking on bank debt and calls on shareholders for further equity, or
2. **ACCEPT GPG's offer and sell 50%, or any lesser number, of your shares through the current proportional takeover bid and enjoy an immediate 30c cash payment. Furthermore, as GPG is aligned with you as fellow shareholders, our efforts to maximise the value of the company's assets will allow you to still participate, through your remaining shareholding, in the potential benefits from their orderly rationalisation.**

To accept the GPG offer, please follow the instructions in the attached acceptance form which we have included in case you have mislaid the original. If you want another copy of the bidder's statement, please contact the Offer Information Line on 1800 104 758 (callers within Australia) or +61 2 8268 3691 (callers outside Australia).

If the acceptance form is sent by mail, you may use the attached reply-paid envelope which must be received **before 7pm (Sydney time) on 15 February 2010.**

If you have any questions regarding this letter or our offer, please contact Philip Tunstall on (02) 8298 4300.

Yours sincerely



GARY H. WEISS  
DIRECTOR



# ACCEPTANCE AND TRANSFER FORM

in respect of the Offer by GPG (No. 4) Pty Ltd ABN 15 074 562 342 (GPG) for up to 50% of each member's fully paid ordinary shares in Tandou Limited (Tandou) ABN 81 001 014 562

THIS IS AN IMPORTANT DOCUMENT

IF YOU DO NOT UNDERSTAND IT PLEASE CONSULT YOUR FINANCIAL, LEGAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY

## STEP 1 – Check your details below (see over)

The maximum number of Tandou Shares you can sell to GPG being 50% of your shareholding	<input type="text"/>
30 cents per Tandou Share for 50% of your Tandou Shareholding	<input type="text"/>
HIN/SRN * (*A new SRN may be allocated to you solely for the purpose of this offer)	<input type="text"/>
Sub Register	<input type="text"/>

Use this Acceptance Form to accept the Offer by GPG for up to 50% of the shares you hold in Tandou on the terms of the Bidder's Statement. You should read the Bidder's Statement which accompanies this Acceptance Form. Capitalised terms used in this Acceptance Form have the same meaning as in the Bidder's Statement unless otherwise defined. By accepting the Offer, you are accepting for 50% or the specified fewer number of fully paid ordinary shares you hold in Tandou (even if different to the number of shares stated above).

If you need help completing this Acceptance Form or have any enquiring in relation to GPG's offer, please contact the GPG information Line on 1800 104 758 (within Australia) or +61 2 8268 3691 (for callers from outside Australia).

## STEP 2 – For Issuer Sponsored Holdings only

If your Tandou Shares are held on the Issuer Sponsored Sub-register (see "Sub-register" above) or if at the time of your acceptance you are entitled to be (but are not yet) registered as a holder of your Tandou Shares, to accept the Offer you must sign below and return this form.

## STEP 3 – For CHESSE Holdings only

If your Tandou Shares are held on the CHESSE Sub-register (see "Sub-register" above) to accept the Offer you can either:

- Contact your Controlling Participant – normally your broker – and instruct them to accept the Offer on your behalf (If you do that and your Controlling Participant follows those instructions, you do not need to complete and return this Acceptance Form); OR
- If you want GPG to contact your Controlling Participant on your behalf, write their details below and sign and return this form. By doing so you authorise GPG to instruct your Controlling Participant to initiate acceptance of the Offer and to take all other steps necessary to cause acceptance of the Offer in accordance with the ASTC Settlement Rules.

Your Brokers Name	Your Brokers Address	Your Brokers Telephone Number
<input type="text"/>	<input type="text"/>	<input type="text"/>

## STEP 4 – Acceptance

By signing and returning this Acceptance Form, you are deemed to have accepted the Offer for the maximum number of Tandou Shares (see the above box) unless you specify a fewer number of Tandou Shares below. If you wish to accept for less than 50% of your Tandou shareholding in you must write in the box below the number of Tandou shares for which you wish to accept. This number must be less than the maximum number in the above box.

IF accepting for less than 50% of your Tandou Shares insert number of shares here:	<input type="text"/>
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**NOTE:** If on the date you accept this Offer, the number of Tandou Shares you would hold as a result of accepting the Offer is worth less than \$500, the Offer will extend to all your Tandou Shares and you will be deemed to have accepted for (and will receive consideration for) 100% of your Tandou Shares.

## STEP 5 – Sign as indicated below

I/We, the securityholder(s) named above, being the holder(s) of Tandou Shares:

- ACCEPT the Offer in respect of 50% of my/our Tandou Shares or the number of my/our Tandou Shares as shown in Step 4 above (whichever is the lesser);
- AGREE TO TRANSFER 50% of my/our Tandou Shares or the number of my/our Tandou Shares as shown in Step 4 above (whichever is the lesser) to GPG for the consideration specified in the Offer, and in accordance with the Offer Terms;
- AUTHORISE, GPG, its officers and agents to correct any errors in or omissions from this Acceptance Form to make it an effective acceptance of the Offer and enable registration of the transfer of the Tandou Shares to GPG; and
- AGREE to be bound by the Offer Terms.

Please refer overleaf for further instructions on how to complete this form

If this form is signed under power of attorney, the attorney declares that they have no notice of the revocation of the power of attorney.

Individual or Securityholder 1

Securityholder 2

Securityholder 3

<input type="text"/>
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Sole Director and Sole Company Secretary

<input type="text"/>
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Director

<input type="text"/>
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Director/Company Secretary (delete one)

Please enter your telephone number where you may be contacted during business hours

Dated \_\_\_/\_\_\_/2009 Telephone number: \_\_\_\_\_

Your acceptance must be received BEFORE the Offer Period ends. If the Acceptance Form is sent by mail, you may use the enclosed reply paid envelope. Your acceptance of the Offer must be received before 7pm (Sydney time) on 9 November 2009 (unless the Offer is withdrawn or extended).

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## How to complete this Acceptance Form and ACCEPT the Offer

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### 1. Your Name & Address details

Your pre-printed name and address is as it appears on the share register of Tandou. If you are Issuer Sponsored and this information is incorrect, please make the correction on this form and initial the correction. Securityholders sponsored by a broker on the CHESS Sub-register should advise their broker of any changes.

### 2. Issuer Sponsored Holdings

(as indicated by "Issuer Sponsored" appearing next to "Sub-register" on this Acceptance Form)

If your Tandou Shares are in an Issuer Sponsored Holding, or if you are not yet registered as the holder of your Tandou Shares, then to accept the Offer, you must fill out this Acceptance Form overleaf and return it to one of the addresses shown below.

### 3. CHESS Holdings

(as indicated by "CHESS" appearing next to "Sub-register" on this Acceptance Form)

If your Tandou Shares are in a CHESS Holding, you do not need to complete and return this Acceptance Form to accept the Offer. You can contact your Controlling Participant, normally your broker, and instruct them to accept the Offer on your behalf. If you decide to use this Acceptance Form, follow the instructions below.

It is the responsibility of the eligible securityholder to allow sufficient time for their Controlling Participant to initiate acceptance on their behalf in accordance with ASTC Settlement Rule 14.14. You must ensure that this Acceptance Form is received in sufficient time before the end of the Offer Period to enable us to instruct your Controlling Participant to effect acceptance on CHESS during business hours.

If your holding is CHESS sponsored and you send your Acceptance Form to Registries Limited, they will send the relevant acceptance message to CHESS for forwarding to your Controlling Participant for acknowledgement. GPG and Registries Limited will not be responsible for any delays incurred by this process.

If you sign and return this Acceptance Form to one of the below addresses either in respect of an Issuer Sponsored Holding or so that contact may be made with your Controlling Participant on your behalf, you warrant to GPG (and authorise GPG to warrant on your behalf) that you have full legal and beneficial ownership of the Tandou Shares and that GPG will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer and free from any third party rights.

### 4. Acceptance

By signing and returning this Acceptance Form, you are deemed to have accepted the Offer for the maximum number of Tandou Shares (refer overleaf for number of shares) unless you specify a fewer number of Tandou Shares in the box provided overleaf.

### 5. Signature(s)

You must sign the form as follows in the space provided overleaf:

<b>Joint Holding:</b>	Where the securityholding is in more than one name all of the Tandou shareholders must sign.	<b>Deceased Estate:</b>	All executors must sign and, if not already noted by the Tandou registry, attach a certified copy of probate, letters of administration or grant accompanied (where required by law for the purpose of the transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.
<b>Power of Attorney:</b>	To sign under power of attorney, you must attach a certified copy of the power of attorney to this form when you return it. By signing this form under a power of attorney, you will have declared that you have no notice of revocation of the power and are able to further delegate power under it under the Bidder's Statement.	<b>Companies:</b>	This form must be signed by either 2 directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone. Delete titles as applicable.

#### Additional Notes

- Sold all your Tandou Shares** – if you have sold all of your Tandou Shares, please send this form and your Bidder's Statement to the stockbroker who acted on your behalf.
- Recently bought or sold Tandou Shares** – if you have recently bought or sold any Tandou Shares, your holding may differ from that shown on the front of this form. If so, please alter the number of Tandou Shares shown as your registered holding on the front of this form to 50% of the number of Tandou Shares you now hold (including any Tandou Shares of which you are entitled to become registered as holder), initial the alteration and indicate the name of the stockbroker who acted for you.

Information you supply on this Acceptance Form will be used by GPG and Registries Limited for the primary purpose of processing your acceptance of the Offer and to provide you with the consideration payable under the Offer. This information may be disclosed to GPG's professional advisers, securities brokers, printing and mailing providers and other third parties in connection with the Offer. If you do not supply this information, your acceptance may not be processed and you may not receive the consideration payable. You may have rights to access the personal information you have supplied. Please see Registries Limited's privacy policy on its website [www.registriesltd.com.au](http://www.registriesltd.com.au)

This Acceptance Form must be received at the relevant address shown below before the end of the Offer Period.

#### Postal address

Registries Limited  
Tandou Offer  
GPO BOX 3993  
SYDNEY NSW 2001

#### Delivery in person

Registries Limited  
Tandou Offer  
Level 7, 207 Kent Street  
SYDNEY NSW 2000

If the Acceptance Form is sent by mail, you may also use the enclosed reply paid envelope. Neither GPG nor Registries Limited takes any responsibility if you lodge this Acceptance Form at any other address or by any other means.

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# GPG (No.4) Pty Limited

## ACN 074 562 342

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### Notice under section 650D(1) *Corporations Act 2001* (Cth)

#### Variation of offer – extension of offer period

To: Australian Securities and Investments Commission (**ASIC**);  
Tandou Limited ACN 001 014 562 (**Tandou**); and  
Shareholders of Tandou.

#### Extension of offer period

GPG (No.4) Pty Limited ACN 074 562 342 (**GPG**) gives notice under section 650D(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**) that:

- it varies its takeover offer dated 6 October 2009 (**Offer**) for up to 50% of the ordinary shares in Tandou held by each shareholder of Tandou, which is contained in its bidder's statement dated 18 September 2009 (**Bidder's Statement**), by extending the offer period so that the Offer will remain open for acceptance until 7.00 pm (Sydney time) on 15 February 2010; and
- accordingly, the Offer is varied by:
  - (a) replacing "25 January 2010" with "15 February 2010" on page 1 and sections 1 and 12.2 of the Bidder's Statement;
  - (b) replacing "15 January 2010" with "5 February 2010" in section 12.10 of the Bidder's Statement; and
  - (c) replacing "25 January 2010" with "15 February 2010" in each place in which it appears on the acceptance form.

#### Withdrawal right

In this section headed "Withdrawal right", words defined in the ASTC Settlement Rules have the same meaning unless the context requires otherwise.

In accordance with section 650E of the Corporations Act, as the extension of the Offer (together with the previous extensions) postpones for more than one month the time when GPG has to meet its obligations under the Offer, those Tandou shareholders who have validly accepted the Offer on or before the date of this notice may withdraw their acceptance by giving notice to GPG (**Withdrawal Notice**) within one month beginning on the day after the day on which they receive this notice (**Withdrawal Period**).

A Withdrawal Notice by a Tandou shareholder withdrawing their acceptance under section 650E of the Corporations Act must:

- if the withdrawing shareholder's shares are in a CHES Holding:
    - (a) be in the form of a Valid Originating Message transmitted to ASTC by the Controlling Participant for that CHES Holding in accordance with Rule 14.16.1 of the ASTC Settlement Rules; or
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- (b) be in the form of a notice in writing to GPG setting out the information that GPG requires to enable it to transmit a Valid Message to ASTC on behalf of the Tandou shareholder in accordance with Rule 14.16.5 of the ASTC Settlement Rules; and
- in any other case, be in writing to GPG.

A Withdrawal Notice that is in writing to GPG must be sent to:

Registries Limited  
Tandou Offer  
GPO Box 3993  
Sydney NSW 2001

If a Tandou shareholder is legally entitled to give, and does in fact give, a Withdrawal Notice within the Withdrawal Period, GPG will within 14 days after it is given the Withdrawal Notice:

- (a) return to the Tandou shareholder any documents that were sent by the Tandou shareholder to GPG with the acceptance of the Offer; and
- (b) if the Tandou shareholder's shares are in a CHESS Holding, transmit a Valid Message that authorises the release of the relevant shares from the Offer Accepted Subpositions in which the securities have been reserved in accordance with Rule 14.16.3 or 14.16.5 of the ASTC Settlement Rules (as appropriate).

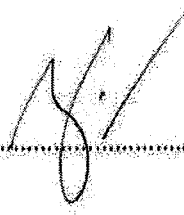
If you would like to exercise your right to withdraw your acceptance and you would like further information, please contact your legal, financial or other professional adviser or telephone the Offer Information Line on 1800 104 758 (toll-free within Australia) or +61 2 8268 3691 (for callers from outside Australia).

#### **Lodgement with ASIC**

A copy of this notice was lodged with ASIC on 14 January 2010. ASIC takes no responsibility for the contents of this notice.

**Date:** 14 January 2010

**Signed** for and on behalf of GPG pursuant to a resolution passed by the directors of GPG by:



A handwritten signature in black ink, appearing to be 'Philip Tunstall', is written over a horizontal dotted line. The signature is stylized and cursive.

Philip Tunstall  
Company Secretary

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**GPG (No.4) Pty Limited**  
**ACN 074 562 342**

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**Notice under ASX Listing Rule 3.2**

**Notification of relevant interests following extension of offer period**

**To:** ASX Limited (**ASX**)

GPG (No.4) Pty Limited ACN 074 562 342 (**GPG**) has extended the offer period under its takeover offer dated 6 October 2009 (**Offer**) for up to 50% of the ordinary shares in Tandou Limited ACN 001 014 562 (**Tandou**) held by each shareholder of Tandou so that the Offer will remain open for acceptance until 7.00 pm (Sydney time) on 15 February 2010.

For the purposes of ASX Listing Rule 3.2, GPG gives notice that:

- at the time at which the first of the Offers was made, being 6 October 2009, GPG and its associates had a relevant interest in 19.9% of the ordinary shares in Tandou; and
- at the date of the extension of the offer period, being 15 January 2010, GPG and its associates have a relevant interest in 20.11% of the ordinary shares in Tandou.

**Date:** 15 January 2010

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**GPG (No.4) Pty Limited**  
**ACN 074 562 342**

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**Notice under section 630(2)(b) *Corporations Act 2001 (Cth)***

**New date for giving notice of status of condition**

To: ASX Limited; and  
Tandou Limited ACN 001 014 562 (**Tandou**)

For the purposes of section 630(2)(b) of the *Corporations Act 2001 (Cth)* (**Corporations Act**), GPG (No.4) Pty Limited ACN 074 562 342 (**GPG**) gives notice that:

- the offer period under the takeover offer by GPG for up to 50% of the ordinary shares in Tandou held by each shareholder of Tandou (**Offer**), which Offer, dated 6 October 2009, is contained in:
  - (a) the bidder's statement issued by GPG dated 18 September 2009 (**Bidder's Statement**);
  - (b) the notice of variation issued by GPG on 29 October 2009 under 650D(1) of the Corporations Act; and
  - (c) the notice of variation issued by GPG on 27 November 2009 under section 650D(1) of the Corporations Act,has been extended so that the Offer will remain open for acceptance until 7.00 pm (Sydney time) on 15 February 2010;
- the new date for giving notice of the status of the condition to which the Offer is subject, as required by section 630(3) of the Corporations Act, is 5 February 2010; and
- as at the date of this notice:
  - (a) GPG has not freed the Offer from the "no prescribed occurrences condition" contained in section 12.7 of the Bidder's Statement; and
  - (b) the "no prescribed occurrences condition" contained in section 12.7 of the Bidder's Statement has not been fulfilled, however, so far as GPG is aware, none of the events stipulated in that condition have occurred.

**Date:** 15 January 2010