

Friday, 27 February 2009

MARKET ANNOUNCEMENT

Court Approval of Merger Between Scarborough Equities Limited and Bentley International Limited

Bentley International Limited (Bentley) and Scarborough Equities Limited (Scarborough) are pleased to advise that earlier today, Court approval was obtained for Scarborough to merge with Bentley via a scheme of arrangement.

The Scheme was overwhelmingly approved by Scarborough shareholders at a Scheme Meeting held on 20 February - the Scheme was supported by 95% of shareholders who voted and was passed with a 99.6% majority.

Bentley shareholders also overwhelmingly supported resolutions concerning merger related matters at a general meeting held on 25 February - for example, the adoption of a new investment mandate was supported by 97% of shareholders who voted and was passed by a 93.6% majority.

The balance of the merger timetable is as follows:

Event	Time and date
Effective Date (and also the Calculation Date) (Court orders approving Scheme lodged with ASIC) (NTAs per share at this date are used to calculate eligible Scarborough Shareholders' entitlement to Bentley shares under the Scheme consideration formula)	Friday, 27 February 2009
Trading in Scarborough Shares on ASX is suspended (Trading in Bentley Shares is expected to continue as normal throughout the completion of the merger)	Close of trade on Friday, 27 February 2009
Scheme Record Date (Time and date for determining entitlements to Scheme Consideration)	5.00pm Perth time on Friday, 6 March 2009
Market announcements of the Scheme consideration ratio and auditor reviewed net tangible asset (NTA) backings of Bentley and Scarborough as at 27 February 2009	Thursday, 12 March 2009
Implementation Date (Transfer of Scheme Shares to Bentley and issue of New Bentley Shares to Scheme Participants (other than Ineligible Overseas Shareholders))	Friday, 13 March 2009
Despatch of transaction confirmation statements for New Bentley Shares	Friday, 13 March 2009
Trading of New Bentley Shares on a normal settlement basis commences on the ASX	Commencement of trade on Monday, 16 March 2009
Despatch of payment to Ineligible Overseas Shareholders	By 10 April 2009

Note:

- The timetable and the dates can vary. Any changes will be announced to ASX and notified on Scarborough's website www.scarboroughequities.com.au and Bentley's website www.bel.com.au.

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Bentley's change of name to Bentley Capital Limited approved by shareholders on 25 February will take effect when ASIC confirms this change within the next month.

The Merged Group

- The merged group will comprise Bentley with Scarborough as a wholly owned subsidiary;
- All current Bentley directors will remain Bentley directors, and William Johnson (an Executive Director of Scarborough) will join Bentley's Board of Directors. Farooq Khan will remain Chairman of Bentley.
- Bentley will manage its investments under a new investment mandate approved by Bentley shareholders.
- The merged group's investment decisions will be carried out by Bentley's Board and or an investment committee (in conjunction with external consultants and advisers where appropriate).
- If it believes that it is in the best interests of Bentley, the Bentley Board may chose to delegate part or all of the responsibility for making investment decisions to an investment manager, subject to the investment manager having appropriate capabilities, experience and the necessary Australian Financial Services Licences.
- Bentley and Scarborough presently share the same Chairman's and Company Secretarial office in Perth, Western Australia. This arrangement will continue post merger.

Bentley's and Scarborough's present intentions in relation to the existing investments held by Bentley and Scarborough are for:

- Bentley's investment portfolio in international securities to be maintained (A\$4.56 million as at 31 January 2009);
- Scarborough's investment manager, FSP Equities Management Limited (FSP), to continue to manage Scarborough's investment in the FSP Equities Leaders Fund (FSP Fund) (\$11.53 million as at 31 January 2009);
- The merged group's excess cash reserves to be invested in term deposits with Australian banks (~\$10.5 million as at 31 January 2009).

The new Bentley Board will review the merged group's investment strategy and investments after the completion of the merger on the Implementation Date (anticipated to be 13 March 2009).

For further information:

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