



Bentley Capital Limited

HALF YEAR REPORT

31 December 2019

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE
30 JUNE 2019 ANNUAL REPORT OF THE COMPANY
LODGED ON ASX ON 22 OCTOBER 2019



ASX Code: BEL

Bentley Capital Limited

A.B.N. 87 008 108 218

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BOARD

Farooq Khan	Executive Chairman
William M. Johnson	Executive Director
Simon K. Cato	Non-Executive Director

COMPANY SECRETARY

Victor P. H. Ho

REGISTERED AND PRINCIPAL OFFICE

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Rothsay Auditing

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Australian Securities Exchange

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Website: www.asx.com.au**ASX CODE**

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APPENDIX 4D HALF YEAR REPORT

This Half Year Report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3.

Current reporting period:	1 July 2019 to 31 December 2019
Previous corresponding period:	1 July 2018 to 31 December 2018
Reporting Date:	31 December 2019
Company:	Bentley Capital Limited (BEL or the Company)
Consolidated Entity:	BEL and controlled entities (Bentley)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

CONSOLIDATED	Dec 2019 \$'000	Dec 2018 \$'000	% Change	Up/ Down
Net gain on financial assets at fair value through profit or loss	75	-	N/A	Up
Dividends	-	14	N/A	Down
Interest	-	1	N/A	Down
Total revenue	75	15	394%	Up
Net loss on financial assets held at fair value through profit or loss	-	(130)	N/A	Down
Net loss on non-current asset held for sale	-	(578)	N/A	Down
Share of Associate entity's loss	-	(266)	N/A	Down
Technology operations	(217)	(224)	3%	Down
Salaries, fees and employee benefits	(181)	(179)	1%	Up
Investment expenses	(7)	(9)	21%	Down
Corporate expenses	(35)	(46)	23%	Down
Administration expenses and other expenses	(664)	(190)	250%	Up
Total expenses	(1,104)	(1,622)	32%	Down
Loss before tax	(1,029)	(1,607)	36%	Down
Income tax benefit/(expense)	-	-		
Loss after tax attributable to members	(1,029)	(1,607)	36%	Down
Other comprehensive income (net of tax)	-	-		
Total Comprehensive Income/(Loss) for the half year	(1,029)	(1,607)	36%	Down
Basic and diluted earnings/(loss) per share (cents)	(1.35)	(2.11)	36%	Down

CONSOLIDATED	Dec 2019 cents	June 2019 cents	% Change	Up/ Down
Pre-Tax NTA backing per share	6.99	8.34	16%	Down
Post-Tax NTA backing per share	6.99	8.34	16%	Down

BRIEF EXPLANATION OF RESULTS

Bentley has generated an unrealised gain of \$0.279 million on its investment in Yowie Group Ltd (ASX:YOW) and incurred an unrealised loss of \$0.266 million on its investment in Keybridge Capital Limited (ASX:KBC).

Bentley's net loss for the half year was also caused by non-recurring expenditure items related to technology operations (which ceased during the half year) and legal expenses.

Please refer to the Directors' Report and financial statements and notes for information on a review of Bentley's operations and the financial position and performance of Bentley for the half year ended 31 December 2019.

APPENDIX 4D HALF YEAR REPORT

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2019.

ASSOCIATE AND CONTROLLED ENTITIES

There were no changes Associate or controlled entities during the Current Reporting Period.

For and on behalf of the Directors,



Victor Ho
Company Secretary

Date: 27 February 2020

Telephone: (08) 9214 9757

Email: cosec@bel.com.au

DIRECTORS' REPORT

The Directors present their Directors' Report on Bentley Capital Limited ABN 87 008 108 218 (**Company** or **BEL**) and its controlled entities (the **Consolidated Entity** or **Bentley**) for the financial half year ended 31 December 2019 (**Balance Date**).

BEL is a company limited by shares that was incorporated in South Australia in June 1986 and has been listed on the Australian Securities Exchange (**ASX**) since October 1986 (ASX Code: BEL).

PRINCIPAL ACTIVITIES

BEL is a listed investment company (**LIC**).

NET TANGIBLE ASSET BACKING

CONSOLIDATED	December 2019	June 2019
	\$'000	\$'000
Net assets	5,322	6,351
Less: Intangible assets	-	-
Net tangible assets	5,322	6,351
Pre-tax NTA backing per share (cents)	6.99	8.34
Less: Net deferred tax asset/liabilities / tax provision	-	-
Net tangible assets	5,322	6,351
Post-tax NTA backing per share (cents)	6.99	8.34
Based on total issued shares	76,127,918	76,127,918

OPERATING RESULTS

CONSOLIDATED	December 2019	December 2018
	\$'000	\$'000
Net gain on financial assets at fair value through profit or loss	75	-
Dividends	-	14
Interest	-	1
Total revenue	75	15
Net loss on financial assets at fair value through profit or loss	-	(130)
Net loss on non-current asset held for sale	-	(578)
Share of Associate entity's' loss	-	(266)
Technology operations	(217)	(224)
Salaries, fees and employee benefits	(181)	(179)
Investment expenses	(7)	(9)
Corporate expenses	(35)	(46)
Administration expenses and other expenses	(664)	(190)
Total expenses	(1,104)	(1,622)
Loss before income tax expense	(1,029)	(1,607)
Income tax expense	-	-
Loss after income tax expense	(1,029)	(1,607)

DIRECTORS' REPORT

LOSS PER SHARE

CONSOLIDATED	December 2019 cents	December 2018 Cents
Loss per share (cents)	(1.35)	(2.11)

FINANCIAL POSITION

CONSOLIDATED	December 2019 \$'000	June 2019 \$'000
Investments	3,182	3,856
Non-current asset held for sale	2,365	2,365
Cash and cash equivalents	249	267
Net deferred tax asset / liabilities	-	-
Other assets	187	229
Liabilities	(661)	(366)
Net assets	5,322	6,351
Issued capital	19,477	19,477
Profits Reserve	3,298	3,298
Accumulated losses	(17,453)	(16,424)
Total equity	5,322	6,351

DIVIDENDS

The Directors have not declared a dividend in respect of the financial half year ended 31 December 2019.

As at 31 December 2019, Bentley had:

- \$2.26 million in its Profits Reserve account, which is available to fund the payment of dividends to shareholders in the future; and
- \$1.14 million Franking Credits, which is sufficient to fund the payment of fully franked (at Bentley's applicable 27.5% company tax rate) dividends totalling \$3.02 million.

SECURITIES ON ISSUE

The Company has 76,127,918 (30 June 2019 and 31 December 2018: 76,127,918) fully paid ordinary shares on issue. All such shares are listed on ASX. The Company has no other securities on issue.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

Net Asset Weightings

A summary of Bentley's net asset weighting (by value and as a percentage of net assets) is:

Net Assets	31 December 2019		30 June 2019	
	\$'m	%	\$'m	%
Australian equities ¹	5.54	104	6.22	98
Provision for income tax	-	-	-	-
Net cash on deposit/other assets/provisions	(0.22)	(4)	0.13	2
Total Net Assets	5.32	100%	6.35	100%
NTA backing per share	0.0699		0.0834	

1. Includes investments in unlisted Australian managed funds

Major Holdings

A summary of Bentley's major investment holdings (by value and as a percentage of net assets) is:

Security	ASX Code	Industry Sector	31 December 2019		30 June 2019	
			\$'m	%	\$'m	%
Strike Resources Limited ²	SRK	Metals & Mining	2.36	44.4	2.36	37.2
Keybridge Capital Limited ³	KBC	Diversified	1.92	36.1	2.19	34.4
Yowie Group Ltd ³	YOW	Food, Beverage & Tobacco	0.59	11.0	0.51	8.0
Managed funds	Unlisted	Diversified	0.66	12.4	1.15	18.1
Other listed securities	Various	Various	0.01	0.2	0.01	0.2

2. Non-Current Asset Held for Sale carried at fair value (ASX market) less selling costs

3. Financial asset carried at fair value

Investment in Strike Resources Limited (ASX: SRK)

As at 31 December 2019 and currently, Bentley is a major shareholder in SRK with 52,553,493 shares (31.44%¹) (30 June 2019 and 31 December 2018: 52,553,493 shares (36.16%)²).

On 18 July 2019, Strike raised \$0.981 million through a placement of 21,800,000 shares. Accordingly, Bentley's interest in Strike has diluted to 31.44%¹.

Strike is an ASX listed resource company which is developing the Paulsens East Iron Ore Project in Western Australia³. Strike also owns the high grade Apurimac Magnetite Iron Ore Project and Cusco Magnetite Iron Ore Project in Peru and is also developing a number of battery minerals related projects around the world, including the highly prospective Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

Bentley Chairman (Farooq Khan) is also Chairman of Strike and Bentley Executive Director (William Johnson) is the Managing Director of Strike.

1 Refer BEL's ASX Announcement dated 22 July 2019: Change in Substantial Holding in SRK

2 Refer BEL's ASX Announcement dated 4 September 2015: Change in Substantial Holding in SRK

3 Refer also SRK's ASX Announcements dated 28 November 2019: Excellent Scoping Study Results for Paulsens East Iron Ore Project and 4 September 2019: Significant Upgrade of JORC Mineral Resource into Indicated Category at Paulsens East Iron Ore Project

DIRECTORS' REPORT

Further information about Strike's current projects and activities are contained in their ASX releases, including as follows:

- 31 January 2020: December 2019 Quarterly Reports;
- 31 October 2019: September 2019 Quarterly Reports; and
- 30 October 2019: 2019 Annual Report.

Information concerning SRK may be viewed from its website: www.strikeresources.com.au.

SRK's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "SRK".

Investment in Keybridge Capital Limited (ASX: KBC)

As at 31 December 2019, Bentley is a major shareholder in KBC with 31,700,000 shares (20.17%) (30 June 2019: 31,700,000 KBC shares (20.17%); 31 December 2018: 31,700,000 shares (20.12%)).

On 17 February 2020, Keybridge issued 22 million shares to 'sophisticated investors' at an issue price of \$0.069 per share, raising \$1.518 million (**22m Placement**). Accordingly, Bentley's interest in Keybridge has diluted to 17.70%.⁴

Keybridge has a portfolio of listed and unlisted investments/loan assets in the life insurance (New Zealand), property and funds management sectors and strategic holdings in HHY Fund (ASX:HHY), Molopo Energy Limited (ASX:MPO), Metgasco Limited (ASX:MEL) and Yowie Group Ltd (ASX:YOW).⁵

Bentley Executive Director, William Johnson, is on the Board of Keybridge⁶. Bentley's Non-Executive Director, Simon Cato was, until recently (17 January 2020), also on the Board of Keybridge – Bentley has disputed Keybridge's contention that Mr Cato has vacated his position as a Director of Keybridge.⁷

With effect on 30 June 2019, Bentley changed the accounting treatment/classification of its investment in Keybridge from being an investment in an Associate entity (accounted on an equity accounting basis under AASB 128) to being an investment in Financial Assets at Fair Value through Profit or Loss (accounted at fair value under AASB 9). This decision was made as a consequence of a dispute within the Keybridge Board (refer Bentley's ASX Announcement dated 22 July 2019: Update on Investment in Keybridge Capital Limited). Refer also Note 8 (Financial Assets at Fair Value through Profit or Loss) on pages 38 and 39 of Bentley's 2019 Annual Report for further information in this regard.

As at 30 June 2019, Bentley's investment in Keybridge had a carrying value of \$0.069 (based on KBC's last bid price on ASX) per share. Bentley notes that Keybridge has been suspended from trading on the ASX since 16 July 2019⁸. Keybridge's last closing bid price on ASX was \$0.071 as at 15 July 2019 (the day prior to Keybridge's suspension from trading on ASX).

As at 31 December 2020, Bentley's investment in Keybridge had a carrying value of \$0.0606 per share. This is based on Keybridge's last published net asset backing as at 31 October 2019⁹. Keybridge has not yet released on ASX its net asset backing position as at 30 November 2019, 31 December 2019 or 31 January 2020.

4 Refer BEL's ASX Announcement dated 19 February 2020: Change of Substantial Holder Notice for KBC

5 Keybridge has disclosed a \$5 million (unlisted) investment in a financial asset that is "pending completion or refund" as at 30 June 2019 – refer Note 9 on pages 41 and 42 of Keybridge's 2019 Annual Report for further information in this regard.

6 Refer KBC's ASX announcement dated 29 July 2016: Results of General Meeting and Board Changed and Notice of General Meeting dated 7 June 2016

7 Refer KBC's ASX Announcement dated 21 January 2020: Change to Board and CRPN Update

8 Refer KBC's ASX Announcement dated 16 July 2019: Suspension from Official Quotation

9 Refer KBC ASX Announcement dated 29 November 2019: Net Asset Backing – October 2019

DIRECTORS' REPORT

Bentley notes the following developments in relation to cash takeover bids announced for Keybridge:

- On 14 October 2019, WAM Active Limited (ASX:WAA) (**WAA**) announced its intention to make an off-market takeover bid for all of the issued shares in Keybridge at a cash price of \$0.069 per share (**6.9c Bid**)¹⁰. The 6.9c Bid was subject to a number of defeating conditions.
- On 14 October 2019, Bentley announced that, in the absence of a superior proposal, Bentley intended to accept into the 6.9c Bid¹¹.
- On 13 December 2019, WAA announced the withdrawal of its intention to make the 6.9c Bid citing the triggering of a number of defeating conditions relating to Keybridge.¹²
- On 13 December 2019, WAA released on ASX a copy of a Bidder's Statement in relation to a fresh off-market takeover bid for all of the issued shares in Keybridge at a cash price of 6.5 cents per share (**6.5c Offer**).¹³ The 6.5c Offer is subject to WAA attaining a minimum 50.1% relevant interest in Keybridge before the end of the offer period as well as a number of other conditions relating to Keybridge.
- On 16 December 2019, Bentley announced that it is still desirous of exiting its 31.7 million shareholding in Keybridge at 6.9 cents per share. However, it proposed to review the final despatched version of the WAA Bidder's Statement and Keybridge's Target Statement in response before confirming its intentions in relation to the new lower 6.5c Offer.¹⁴
- On 3 January 2020, WAA released on ASX a copy of a Bidder's Statement despatched to Keybridge shareholders¹⁵ – the closing date under the 6.5c Offer has been extended since then and is currently scheduled to close on 3 March 2020.¹⁶
- On 20 January 2020, Keybridge released its Target Statement¹⁷ in response to WAA's 6.5c Offer - Bentley notes the Target Statement did not disclose any material financial information pertaining to Keybridge, including, in particular, its current financial statements and net asset backing position.
- On 8 January 2020, Aurora Funds Management Limited (**Aurora**) as responsible entity of the Aurora Dividend Income Trust (**ADIT**) announced its intention to make an off-market takeover bid for all of the issued shares in Keybridge at a cash price of 6.6 cents per share (**ADIT 6.6c Bid**)¹⁸.
- On 7 February 2020, Keybridge released on ASX a copy of ADIT's Bidder's Statement served on Keybridge and ASIC (**ADIT 6.6c Offer**).¹⁹ The ADIT 6.6c Offer is subject to a range of conditions relating to Keybridge. As at the date of this report, ADIT has not yet despatched their Bidder's Statement to Keybridge shareholders. Keybridge's Target Statement in response to the ADIT 6.6c Offer is expected to be released after the despatch of the ADIT's Bidder's Statement.

10 Refer WAA's ASX Announcement dated 13 October 2019: Proposed Off-Market Takeover Bid for Keybridge Capital Limited (ASX:KBC)

11 Refer Bentley ASX Announcement dated 14 October 2019: Response to Takeover Bid for Keybridge Capital Limited

12 Refer WAA ASX Announcement dated 13 December 2019: WAM Active announced withdrawal of intention to make a takeover bid for Keybridge Capital Limited

13 Refer WAA ASX Announcement dated 13 December 2019: Off-Market Takeover Bid for Keybridge Capital Limited

14 Refer Bentley ASX Announcement dated 16 December 2019: Response to Fresh Takeover Bid for Keybridge Capital Limited

15 Refer WAA ASX Announcement dated 3 January 2020: Off-Market Takeover Bid for Keybridge Capital Limited

16 Refer WAA ASX Announcement dated 10 February 2020: WAM Active Limited Extends Offer Period for Keybridge Capital Limited Takeover Bid

17 Refer KBC ASX Announcement dated 17 January 2020: Target Statement in response to WAM Active Bid

18 Refer ASX Announcement dated 8 January 2020: Aurora Dividend Income Trust announces Off-Market Takeover Bid for Keybridge Capital Limited (ASX:KBC)

19 Refer ASX Announcement dated 7 February 2020: Lodgement of Bidder's Statement for Keybridge Capital Limited and Notice of Register Date

DIRECTORS' REPORT

- On 24 February 2020, WAA announced an increase in their bid consideration from 6.5 to 6.9 cents per share (**WAA 6.9c Offer**) and their election to waive the majority of defeating conditions set out in their Bidder's Statement – with the WAA 6.9c Offer now only subject to the 'No Prescribed Occurrences' condition.²⁰

On 18 February 2020, the Takeovers Panel published a Media Release²¹ advising that it had received an application from WAA in relation to the affairs of Keybridge including the conduct of Keybridge and Aurora vis a vis WAA's 6.5c Offer, the funding under the ADIT 6.5c Bid/Offer, the disclosures in Keybridge's Target Statement (in response to WAA's 6.5c Offer) and ADIT's Bidder's Statement and the 22m Placement. As at the date of this report, the Takeovers Panel has not released any further updates publicly on this matter.

Further information about Keybridge's net assets and investment affairs are contained in their ASX releases, including as follows:

- 29 November 2019: Net Asset Backing – October 2019; and
- 16 October 2019: 2019 Annual Report.

Information concerning KBC may be viewed from its website: www.keybridge.com.au.

KBC's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "KBC".

Investment in Yowie Group Ltd (ASX: YOW)

As at 31 December 2019 and currently, Bentley is a major shareholder in YOW with 9,956,110 shares (4.561%) (30 June 2019: 9,956,110 shares (4.572%); 31 December 2018: 9,956,110 shares (4.572%)).

Bentley notes that:

- Keybridge is a major shareholder in YOW with 23,551,702 shares (10.789%)²² held directly (30 June 2019: 13,752,903 shares (6.32%); 31 December 2018: 10,827,743 shares (4.97%)); and
- HHY Fund (ASX:HHY) (in which Keybridge is a major (30.89%²³) shareholder), is the largest shareholder in YOW with 26,526,643 shares (12.15%)²¹ held directly (30 June 2019 and 31 December 2018: 26,526,643 shares).

Yowie employs its intellectual property rights in the outsourcing of the manufacturing and distribution of the Yowie chocolate confectionery product and in the development of a Yowie digital platform and Yowie branded licensed consumer products.²⁴

Information concerning Yowie may be viewed on its website: www.yowiegroup.com

Yowie's market announcements may also be viewed from the ASX website (www.asx.com.au) under ASX code "YOW".

²⁰ Refer WAA's ASX Announcement dated 24 February 2020: WAM Active Increased Bid Consideration to 6.9 cents Cash per Keybridge Share

²¹ Refer Takeovers Panel Media Release No. TP20/08 dated 18 February 2020: Keybridge Capital Limited 04 – Panel Receives Application

²² Based on KBC's ASX Announcement dated 11 February 2020: Change of Substantial Holder Notice for YOW

²³ Based on KBC's ASX Announcement dated 19 January 2018: Change of Substantial Holder Notice for HHY; Bentley notes that KBC's current unitholding in HHY may differ from that disclosed in KBC's last Substantial Holder Notice lodged on ASX, as a consequence of KBC trading in HHY units since their last Substantial Holder Notice in HHY

²⁴ Refer YOW's ASX Announcements dated 30 January 2020: Q2FY20 December Quarter Update and Revenue Guidance and 30 September 2019: 2019 Annual Report

DIRECTORS' REPORT

Technology Operations

During the financial half year, Bentley closed down its technology operations (previously involved in software, Internet and applications development) as it had not provided sufficient commercial returns to justify its continuation.

DIRECTORS

Directors in office during or since the financial half year are as follows:

FAROOQ KHAN	Chairman
<i>Appointed</i>	Director since 2 December 2003; Chairman since 10 February 2004
<i>Qualifications</i>	BJuris, LLB (<i>Western Australia</i>)
<i>Experience</i>	Mr Khan is a qualified lawyer having previously practised principally in the field of corporate law. Mr Khan has extensive experience in the securities industry, capital markets and the executive management of ASX-listed companies. In particular, Mr Khan has guided the establishment and growth of a number of public listed companies in the investment, mining and financial services sector. He has considerable experience in the fields of capital raisings, mergers and acquisitions and investments.
<i>Relevant interest in shares</i>	11,717,586 ²⁵
<i>Special Responsibilities</i>	Chairman of the Board and Investment Committee
<i>Other current directorships in listed entities</i>	(1) Executive Chairman and Managing Director of Queste Communications Ltd (ASX:QUE) (since 10 March 1998) (2) Executive Chairman of Orion Equities Limited (ASX:OEQ) (since 23 October 2006) (3) Chairman (appointed 18 December 2015) of Strike Resources Limited (ASX:SRK) (Director since 1 October 2015)
<i>Former directorships in other listed entities in past 3 years</i>	Nil
WILLIAM M. JOHNSON	Executive Director
<i>Appointed</i>	Director since 13 March 2009; Executive Director since 1 January 2016
<i>Qualifications</i>	MA (<i>Oxon</i>), MBA
<i>Experience</i>	William Johnson holds a Masters degree in engineering science from Oxford University, England and an MBA from Victoria University, New Zealand. His 30-year business career spans multiple industries and countries, with executive/CEO experience in mineral exploration and investment (Australia, Peru, Chile, Saudi Arabia, Oman, North Africa and Indonesia), telecommunications infrastructure investment (New Zealand, India, Thailand and Malaysia) and information technology and Internet ventures (New Zealand, Philippines and Australia). Mr Johnson is a highly-experienced public company director and has considerable depth of experience in corporate governance, business strategy and operations, investment analysis, finance and execution.
<i>Relevant interest in shares</i>	None
<i>Special Responsibilities</i>	Member of the Investment, Audit and Remuneration Committees
<i>Other current directorships in listed entities</i>	(1) Managing Director of Strike Resources Limited (ASX:SRK) (since 25 March 2013; Director since 14 July 2006) (2) Director of Keybridge Capital Limited (ASX:KBC) (since 29 July 2016) (3) Director of Molopo Energy Limited (ASX:MPO) (since 31 May 2018)
<i>Former directorships in other listed entities in past 3 years</i>	Non-Executive Director of Yowie Group Ltd (ASX:YOW) (10 April 2018 to 8 October 2018)

²⁵ Refer Bentley's ASX Announcements dated 19 July 2019: Change of Director's Interest Notice – F Khan, 6 June 2019: Change of Director's Interest Notice – F Khan and dated 22 March 2017: Notice of Initial Substantial Holder in BEL

DIRECTORS' REPORT

SIMON K. CATO	Non-Executive Director
<i>Appointed</i>	7 January 2015
<i>Qualifications</i>	B.A. (Sydney)
<i>Experience</i>	Simon Cato has had over 30 years' capital markets experience in broking, regulatory roles (with ASX in Sydney and Perth) and as a director of listed companies. From 1991 until 2006, he was an executive director and/or responsible executive of three stockbroking firms. During that time, Mr Cato was involved in the formation of a number of companies, including writing prospectuses and managing the listing process and has been through the process of IPO listing in the dual role of broker and director. Since 2006, Mr Cato has been an executive and non-executive director of a number of public listed companies with a range of different business activities and was a founding director of Greenland Minerals and Energy Limited.
<i>Relevant interest in shares</i>	None
<i>Special Responsibilities</i>	Chairman of the Audit and Remuneration Committees
<i>Other current directorships in listed entities</i>	(1) Non-Executive Chairman of Advanced Share Registry Limited (ASX:ASW) (since 22 August 2007) (2) Non-Executive Director of Greenland Minerals Limited (ASX:GGG) (since 21 February 2006)
<i>Former directorship in other listed entities in past 3 years</i>	Non-Executive Director of Keybridge Capital Limited (ASX:KBC) (29 July 2016 to 17 January 2020)

COMPANY SECRETARY

VICTOR P. H. HO	Company Secretary
<i>Appointed</i>	5 February 2004
<i>Qualifications</i>	BCom, LLB (Western Australia), CTA
<i>Experience</i>	Victor Ho has been in Executive roles with a number of ASX-listed companies across the investments, resources and technology sectors over the past 19 years. Mr Ho is a Chartered Tax Adviser (CTA) and previously had 9 years' experience in the taxation profession with the Australian Tax Office (ATO) and in a specialist tax law firm. Mr Ho has been actively involved in the investment management of listed investment companies (as an Executive Director and/or a member of the Investment Committee), the structuring and execution of a number of corporate, M&A and international joint venture (in South America, Indonesia and the Middle East) transactions, capital raisings and capital management initiatives and has extensive experience in public company administration, corporations' law and stock exchange compliance and investor/shareholder relations.
<i>Special Responsibilities</i>	Member of the Investment Committee and Secretary of the Audit and Remuneration Committees
<i>Relevant interest in shares</i>	50,000 ordinary shares (held indirectly)
<i>Other positions held in listed entities</i>	Executive Director and Company Secretary of: (1) Orion Equities Limited (ASX:OEQ) (Secretary since 2 August 2000 and Director since 4 July 2003) (2) Queste Communications Ltd (ASX:QUE) (Secretary since 30 August 2000 and Director since 3 April 2013) (3) Strike Resources Limited (ASX:SRK) (Director since 24 January 2014 and Secretary since 1 October 2015)
<i>Former position in other listed entities in past 3 years</i>	Company Secretary of Keybridge Capital Limited (ASX:KBC) (13 October 2016 to 13 October 2019)

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 forms part of this Directors Report and is set out on page 13. This relates to the Auditor's Independent Review Report, where the Auditors state that they have issued an independence declaration.

Signed for and on behalf of the Directors in accordance with a resolution of the Board,



Farooq Khan
Chairman



Simon Cato
Non-Executive Director and
Chairman of the Audit Committee

27 February 2020

*R*OTHSAY

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The Directors
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Level 2 23 Ventnor Ave
West Perth WA 6005

Dear Directors

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2019 interim financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Graham R Swan FCA (Lead auditor)

Rothsay Auditing

Dated 27th February 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 31 December 2019

	Note	31 Dec 19	31 Dec 18
REVENUE		\$	\$
Investment	2		
Dividend revenue		-	14,151
Interest revenue		388	963
Other			
Net gain on financial assets at fair value through profit or loss		74,938	-
Other income		-	137
TOTAL REVENUE AND INCOME		75,326	15,251
EXPENSES	3		
Share of Associate entity's loss		-	(265,961)
Net loss on financial assets at fair value through profit or loss		-	(130,140)
Net loss on non-current asset held for sale		-	(578,088)
Technology operations (including amortisation/ write-off)		(216,600)	(223,851)
Corporate expenses		(35,349)	(45,956)
Occupancy expenses		(25,641)	(24,908)
Investment expenses		(7,491)	(9,520)
Finance expenses		(3,326)	(2,195)
Administration expenses		(815,602)	(341,773)
LOSS BEFORE INCOME TAX		(1,028,683)	(1,607,141)
Income tax expense		-	-
LOSS FOR THE HALF YEAR		(1,028,683)	(1,607,141)
OTHER COMPREHENSIVE INCOME			
Other Comprehensive Income, Net of Tax		-	-
TOTAL COMPREHENSIVE LOSS FOR THE HALF YEAR		(1,028,683)	(1,607,141)
LOSS PER SHARE FOR LOSS ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic and diluted loss per share (cents)	5	(1.35)	(2.11)

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Note	31 Dec 19 \$	30 Jun 19 \$
CURRENT ASSETS			
Cash and cash equivalents		249,194	266,735
Financial assets at fair value through profit or loss	6	3,182,286	3,856,470
Non-current asset held for sale	7	2,364,907	2,364,907
Receivables		167,921	196,964
Other current assets		-	9,295
TOTAL CURRENT ASSETS		5,964,308	6,694,371
NON-CURRENT ASSETS			
Receivables		10,164	10,206
Property, plant and equipment		8,408	10,229
Deferred tax asset		-	1,929
TOTAL NON-CURRENT ASSETS		18,572	22,364
TOTAL ASSETS		5,982,880	6,716,735
CURRENT LIABILITIES			
Payables		454,830	147,010
Provisions		205,827	216,890
TOTAL CURRENT LIABILITIES		660,657	363,900
NON-CURRENT LIABILITIES			
Deferred tax liability		-	1,929
TOTAL NON-CURRENT LIABILITIES		-	1,929
TOTAL LIABILITIES		660,657	365,829
NET ASSETS		5,322,223	6,350,906
EQUITY			
Issued capital		19,477,385	19,477,385
Profits reserve		3,297,878	3,297,878
Accumulated losses		(17,453,040)	(16,424,357)
TOTAL EQUITY		5,322,223	6,350,906

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 31 December 2019

	Note	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total \$
BALANCE AT 1 JULY 2018		19,477,385	3,677,026	(13,807,448)	9,346,963
Loss for the half year		-	-	(1,607,141)	(1,607,141)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the half year		-	-	(1,607,141)	(1,607,141)
Transactions with owners in their capacity as owners:					
Dividends paid	9	-	(379,148)	-	(379,148)
BALANCE AT 31 DECEMBER 2018		19,477,385	3,297,878	(15,414,589)	7,360,674
BALANCE AT 1 JULY 2019		19,477,385	3,297,878	(16,424,357)	6,350,906
Loss for the half year		-	-	(1,028,683)	(1,028,683)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the half year		-	-	(1,028,683)	(1,028,683)
Transactions with owners in their capacity as owners:					
Dividends paid	9	-	-	-	-
BALANCE AT 31 DECEMBER 2019		19,477,385	3,297,878	(17,453,040)	5,322,223

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 31 December 2019

	31 Dec 19	31 Dec 18
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Dividends received	-	172,651
Interest received	388	828
Other income received	120,660	103,440
Payments to suppliers and employees	(876,647)	(721,998)
Sale/Redemption of financial assets at fair value through profit or loss	749,122	955,852
Purchase of financial assets at fair value through profit or loss	-	(212,810)
NET CASH PROVIDED BY OPERATING ACTIVITIES	(6,477)	297,963
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for intangible assets	-	(76,542)
Purchase of plant and equipment	-	(3,273)
NET CASH USED IN INVESTING ACTIVITIES	-	(79,815)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(10,852)	(372,299)
Return of capital	(212)	(40)
NET CASH USED IN FINANCING ACTIVITIES	(11,064)	(372,339)
NET DECREASE IN CASH HELD	(17,541)	(154,191)
Cash and cash equivalents at beginning of financial year	266,735	288,371
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL HALF YEAR	249,194	134,180

The accompanying notes form part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The half year financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report complies with Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board. These half year financial statements do not include notes of the type normally included in the annual financial statements and should be read in conjunction with the most recent annual financial statements and the Company's ASX announcements released from 1 July 2019 to the date of this report.

Basis of Preparation

The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial statements are consistent with those adopted and disclosed in the Consolidated Entity's financial statements for the financial year ended 30 June 2019.

Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period

In the current reporting period, the Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

The following new and revised Standards and Interpretations effective for the current reporting period that are relevant to the Consolidated Entity include:

- AASB 16 *Leases*
- AASB 2017-6 Amendments to Australian Accounting Standards – *Prepayment Features with Negative Compensation*
- AASB 2017-7 Amendments to Australian Accounting Standards – *Long-term Interests in Associates and Joint Ventures*
- AASB 2018-1 Amendments to Australian Accounting Standards – *Annual Improvements Cycle 2015-2017 Cycle*
- AASB 2018-2 Amendments to Australian Accounting Standards – *Plan Amendment, Curtailment or Settlement [AASB 119]*
- AASB 2018-3 Amendments to Australian Accounting Standards – *Reduced Disclosure Requirements*
- Interpretation 23 *Uncertainty over Income Tax Treatments*

Impact on Application

The adoption of the aforementioned standards has not had a quantitatively material impact on the interim financial statements of the Consolidated Entity as at 31 December 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

2. REVENUE

The consolidated loss before income tax includes the following items of revenue:	31 Dec 19	31 Dec 18
	\$	\$
Investment		
Dividend revenue	-	14,151
Interest revenue	388	963
	<u>388</u>	<u>15,114</u>
Other		
Net gain on financial assets at fair value through profit or loss	74,938	-
Other income	-	137
	<u><u>75,326</u></u>	<u><u>15,251</u></u>

3. EXPENSES

The consolidated loss before income tax includes the following items of expenses:		
Share of Associate entity's loss	-	265,961
Net loss on other financial assets held at fair value through profit or loss	-	130,140
Net loss on non-current asset held for sale	-	578,088
Technology operations		
Amortisation of software development assets	88,291	-
Other expenses	128,309	223,851
Corporate expenses		
ASX fees	24,170	30,063
Share registry	4,074	14,097
Other corporate expenses	7,105	1,796
Occupancy expenses	25,641	24,908
Investment expenses		
Brokers' fees	-	2,240
Subscriptions	7,491	7,280
Finance expenses	3,326	2,195
Administration expenses		
Salaries, fees and employee benefits	181,083	179,373
Accounting, taxation and related administration	44,408	59,434
Office administration	48,546	46,013
Audit	7,150	7,150
Legal fees	506,755	11,202
Travel, accommodation and incidentals	1,003	1,509
Insurance	9,768	8,836
Depreciation	1,821	2,499
Other administration expenses	15,068	25,757
	<u><u>1,104,009</u></u>	<u><u>1,622,392</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

4. SEGMENT INFORMATION

31 Dec 19	Investments	Technology operations	Corporate	Total
	\$	\$	\$	\$
Segment revenues				
Revenue	74,938	-	-	74,938
Other	-	-	388	388
Total segment revenues	74,938	-	388	75,326
Technology operations	-	217,985	-	217,985
Investment expenses	7,491	-	-	7,491
Administration expenses	-	1,881	15,068	16,949
Other expenses	-	-	861,584	861,584
Total segment loss	67,447	(219,866)	(876,264)	(1,028,683)
Segment assets				
Cash and cash equivalents	-	-	249,194	249,194
Financial assets	3,182,286	-	-	3,182,286
Non-current asset held for sale	2,364,907	-	-	2,364,907
Other assets	-	-	186,493	186,493
Total segment assets	5,547,193	-	435,687	5,982,880
31 Dec 18				
Segment revenues				
Revenue	14,151	-	-	14,151
Other	-	-	1,100	1,100
Total segment revenues	14,151	-	1,100	15,251
Net loss on financial assets at fair value through profit or loss	130,140	-	-	130,140
Net loss on non-current asset held for sale	578,088	-	-	578,088
Technology operations	-	221,149	-	221,149
Investment expenses	9,519	-	-	9,519
Administration expenses	-	4,561	24,999	29,560
Other expenses	265,961	-	387,975	653,936
Total segment profit/(loss)	(969,557)	(225,710)	(411,874)	(1,607,141)
30 Jun 19				
Segment assets				
Cash and cash equivalents	-	-	266,735	266,735
Financial assets	3,856,470	-	-	3,856,470
Non-current asset held for sale	2,364,907	-	-	2,364,907
Other assets	-	-	228,623	228,623
Total segment assets	6,221,377	-	495,358	6,716,735

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

4. SEGMENT INFORMATION (continued)

Liabilities

Liabilities are not reported to the Board of Directors by segment. All liabilities are assessed at a Consolidated Entity level.

5. LOSS PER SHARE	31 Dec 19	31 Dec 18
	cents	cents
Basic and diluted loss per share	(1.35)	(2.11)
The following represents the loss and weighted average number of shares used in the EPS calculations:	31 Dec 19	31 Dec 18
	\$	\$
Net loss after income tax	(1,028,683)	(1,607,141)
	Shares	Shares
Weighted average number of ordinary shares	76,127,918	76,127,918

The Consolidated Entity has no securities outstanding which have the potential to convert to ordinary shares and dilute the basic loss per share.

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 Dec 19	30 Jun 19
Current	\$	\$
Investment in Keybridge Capital Limited (ASX:KBC)	1,921,020	2,187,300
Other listed investments at fair value	599,891	521,333
Units in unlisted Clime Australian All Cap Equities Fund (Clime Fund) (formerly Clime CBG Australian Equities Fund (Wholesale))	314,168	737,760
Units in other managed funds	347,207	410,077
	3,182,286	3,856,470

- (1) With effect on 30 June 2019, Bentley changed the accounting treatment/classification of its investment in Keybridge from being an investment in an Associate entity (accounted on an equity accounting basis under AASB 128) to being an investment in Financial Assets at Fair Value through Profit or Loss (accounted at fair value under AASB 9). This decision was made as a consequence of a dispute within the Keybridge Board (refer Bentley's ASX Announcement dated 22 July 2019: Update on Investment in Keybridge Capital Limited). Refer also Note 8 (Financial Assets at Fair Value through Profit or Loss) on pages 38 and 39 of Bentley's 2019 Annual Report for further information in this regard.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Bentley notes the following developments in relation to cash takeover bids announced for Keybridge:

- On 14 October 2019, WAM Active Limited (ASX:WAA) (**WAA**) announced its intention to make an off-market takeover bid for all of the issued shares in Keybridge at a cash price of \$0.069 per share (**6.9c Bid**). The 6.9c Bid was subject to a number of defeating conditions.
- On 14 October 2019, Bentley announced that, in the absence of a superior proposal, Bentley intended to accept into the 6.9c Bid.
- On 13 December 2019, WAA announced the withdrawal of its intention to make the 6.9c Bid citing the triggering of a number of defeating conditions relating to Keybridge.
- On 13 December 2019, WAA released on ASX a copy of a Bidder's Statement in relation to a fresh off-market takeover bid for all of the issued shares in Keybridge at a cash price of 6.5 cents per share (**6.5c Offer**). The 6.5c Offer is subject to WAA attaining a minimum 50.1% relevant interest in Keybridge before the end of the offer period as well as a number of other conditions relating to Keybridge.
- On 16 December 2019, Bentley announced that it is still desirous of exiting its 31.7 million shareholding in Keybridge at 6.9 cents per share. However, it proposed to review the final despatched version of the WAA Bidder's Statement and Keybridge's Target Statement in response before confirming its intentions in relation to the new lower 6.5c Offer.
- On 3 January 2020, WAA released on ASX a copy of a Bidder's Statement despatched to Keybridge shareholders – the closing date under the 6.5c Offer has been extended since then and is currently scheduled to close on 3 March 2020.
- On 20 January 2020, Keybridge released its Target Statement in response to WAA's 6.5c Offer - Bentley notes the Target Statement did not disclose any material financial information pertaining to Keybridge, including, in particular, its current financial statements and net asset backing position.
- On 8 January 2020, Aurora Funds Management Limited (**Aurora**) as responsible entity of the Aurora Dividend Income Trust (**ADIT**) announced its intention to make an off-market takeover bid for all of the issued shares in Keybridge at a cash price of 6.6 cents per share (**ADIT 6.6c Bid**).
- On 7 February 2020, Keybridge released on ASX a copy of ADIT's Bidder's Statement served on Keybridge and ASIC (**ADIT 6.6c Offer**). The ADIT 6.6c Offer is subject to a range of conditions relating to Keybridge. As at the date of this report, ADIT has not yet despatched their Bidder's Statement to Keybridge shareholders. Keybridge's Target Statement in response to the ADIT 6.6c Offer is expected to be released after the despatch of ADIT's Bidder's Statement.
- On 24 February 2020, WAA announced an increase in their bid consideration from 6.5 to 6.9 cents per share (**WAA 6.9c Offer**) and their election to waive the majority of defeating conditions set out in their Bidder's Statement – with the WAA 6.9c Offer now only subject to the 'No Prescribed Occurrences' condition.

On 18 February 2020, the Takeovers Panel published a Media Release advising that it had received an application from WAA in relation to the affairs of Keybridge including the conduct of Keybridge and Aurora vis a vis WAA's 6.5c Offer, the funding under the ADIT 6.5c Bid/Offer, the disclosures in Keybridge's Target Statement (in response to WAA's 6.5c Offer) and ADIT's Bidder's Statement and a 22m Keybridge share placement. As at the date of this report, the Takeovers Panel has not released any further updates publicly on this matter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

7. NON-CURRENT ASSET HELD FOR SALE	31 Dec 19	30 Jun 19
	\$	\$
Cost of investment	2,890,442	2,890,442
Revaluation gain/(loss) in Strike Resources Limited (ASX:SRK)	(525,535)	(525,535)
Investment at fair value	<u>2,364,907</u>	<u>2,364,907</u>

8. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following tables present the Consolidated Entity's financial assets and liabilities measured and recognised at fair value at 31 December 2019 categorised by the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 Dec 19

Financial assets at fair value through profit or loss:	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Listed investments at fair value	599,891	-	1,921,020	2,520,911
Units in unlisted Clime Fund	-	314,168	-	314,168
Units in other managed funds	-	347,207	-	347,207
Non-current asset held for sale	2,364,907	-	-	2,364,907
	<u>2,964,798</u>	<u>661,375</u>	<u>1,921,020</u>	<u>5,547,193</u>

30 Jun 19

Financial assets at fair value through profit or loss:	Level 1	Level 2	Level 3	Total
Listed investments at fair value	2,708,633	-	-	2,708,633
Units in unlisted Clime Fund	-	737,760	-	737,760
Units in other managed funds	-	410,077	-	410,077
Non-current asset held for sale	2,364,907	-	-	2,364,907
	<u>5,073,540</u>	<u>1,147,837</u>	<u>-</u>	<u>6,221,377</u>

The investment in Keybridge Capital Limited (ASX: KBC) has transferred from Level 1 to Level 3 due to KBC's suspension from ASX during the half year (since 16 July 2019) and the adoption of a carrying value as at balance date based on the Directors' judgement (refer to Note 6).

There have been no other transfers between the levels of the fair value hierarchy during the financial half year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

8. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Valuation techniques

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques such as the use of quoted market prices or dealer quotes for similar instruments. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of the unlisted units in the Clime Fund is determined from unit price information provided by the investment manager, CBG Asset Management Limited, and as such, this financial instrument is included in Level 2.

(b) Level 3 fair value measurements

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Investments in unlisted shares are considered Level 3 investments as their fair value is unable to be derived from market data. The Directors assess the fair value of these investments based on information obtained from the companies directly.

Unobservable inputs such as earnings growth in respect of unlisted securities are estimated based on market information for similar type of companies. At balance date the investment in unlisted shares has been fully impaired.

(c) Fair values of other financial instruments

	Note	31 Dec 19	30 Jun 19
Financial assets		\$	\$
Cash and cash equivalents		249,194	266,735
Receivables		167,921	196,964
		417,115	463,699
Financial liabilities			
Payables		(454,830)	(147,010)

Due to their short-term nature, the carrying amounts of cash, current receivables and current payables is assumed to approximate their fair value.

9. DIVIDENDS

		31 Dec 19	31 Dec 18
Dividends paid during the financial half year:	Paid On	\$	\$
0.50 cent per share fully franked dividend	20-Jul-18	-	380,636
		-	380,636
Dividends paid in cash or satisfied by the issue/transfer of shares under DRP were as follows:			
Paid in cash		-	355,010
Satisfied by issue/transfer of shares under DRP		-	25,626
		-	380,636

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half year ended 31 December 2019

9. DIVIDENDS (continued)	31 Dec 19	31 Dec 18
	\$	\$
Franking credits available for subsequent periods based on a tax rate of 27.5% (2019: 27.5%)	<u>1,144,159</u>	<u>1,135,063</u>

The above amounts represent the balance of the franking account as at the end of the reporting period, adjusted for:

- (a) Franking credits that will arise from the receipt of dividends recognised as receivables at balance date;
- (b) Franking credits that will arise from the payment of the amount of the provision for income tax; and
- (c) Franking debits that will arise from the payment of dividends recognised as a liability at balance date.

The franking credits attributable to the Consolidated Entity include franking credits that would be available to the parent entity if distributable profits of subsidiaries were paid as dividends.

10. CONTINGENCIES

The Consolidated Entity does not have any contingent assets or liabilities.

11. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since the end of the financial half year that significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Bentley Capital Limited made pursuant to sub-section 303(5) of the *Corporations Act 2001*, we state that:

In the opinion of the Directors:

- (1) The financial statements and notes of the Consolidated Entity are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2019 and of its performance for the half year ended on that date; and
 - (b) complying with Accounting Standards AASB 134 "Interim Financial Reporting", *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (2) There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Farooq Khan
Chairman



Simon Cato
Non-Executive Director and
Chairman of the Audit Committee

27 February 2020



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Phone (08) 9486 7094 www.rothsayresources.com.au

Independent Review Report to the Members of Bentley Capital Limited

The financial report and directors' responsibility

The interim consolidated financial report comprises the statement of financial position, statement of comprehensive income, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for Bentley Capital Limited for the half-year ended 31 December 2019.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim consolidated financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated financial position as at 31 December 2019 and the performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Bentley Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim consolidated financial report of Bentley Capital Limited is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the consolidated financial position as at 31 December 2019 and of the performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in blue ink that reads 'Rothsay'.

Rothsay Auditing

A handwritten signature in blue ink that reads 'GRS'.

Graham R Swan FCA
Partner

Dated 27th February 2020



SECURITIES INFORMATION

as at 31 December 2019

DISTRIBUTION OF LISTED ORDINARY SHARES

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	1,000	228	110,768	0.146%
1,001	-	5,000	570	1,732,596	2.276%
5,001	-	10,000	313	2,311,483	3.035%
10,001	-	100,000	447	12,957,317	17.020%
100,001	-	and over	73	59,015,754	77.522%
TOTAL			1,631	76,127,918	100.00%

UNMARKETABLE PARCELS

Spread	of	Holdings	Number of Holders	Number of Shares	% of Total Issued Capital
1	-	12,499	1,188	5,029,434	6.607%
12,500	-	over	443	71,098,484	93.393%
TOTAL			1,631	76,127,918	100.00%

An unmarketable parcel is considered, for the purposes of the above table, to be a shareholding of 12,499 shares or less, being a value of \$500 or less in total, based upon the Company's last sale price on ASX as at 31 December 2019 of \$0.04 per share.

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders	Registered Shareholder	Number of Shares Held	% Voting Power
Queste Communications Ltd (ASX:QUE)	QUE	1,225,752	28.56% ⁽¹⁾
	OEQ	20,513,783	
Mr Azhar Chaudhri, Renmuir Holdings Limited and Chi Tung Investments Ltd	QUE	1,225,752	28.56% ⁽²⁾
	OEQ	20,513,783	
Orion Equities Limited (ASX:OEQ)	OEQ	20,513,783	26.95% ⁽³⁾
Farooq Khan	Farooq Khan	3,967,586	15.39% ⁽⁴⁾
	Mr Farooq Khan & Ms Rosanna De Campo	7,750,000	
Charles W Rockefeller Pty Ltd	Charles W Rockefeller Pty Ltd	4,042,232	5.31% ⁽⁵⁾

Notes:

- (1) Based on the last substantial shareholding notice filed by QUE dated 7 June 2016 (updated to reflect current percentage voting power).
- (2) Based on the last substantial shareholding notice filed by Azhar Chaudhri dated 2 May 2012 (updated to reflect current registered shareholdings and percentage voting power).
- (3) Based on the last substantial shareholding notice filed by OEQ dated 23 May 2006 (updated to reflect current registered shareholdings and percentage voting power).
- (4) Based on the initial substantial shareholding notice filed by Farooq Khan dated 22 March 2017 (updated to reflect current percentage voting power).
- (5) Based on the initial substantial shareholding notice filed by Charles W Rockefeller Pty Ltd dated 4 October 2016 (updated to reflect current registered shareholdings and percentage voting power).

SECURITIES INFORMATION

as at 31 December 2019

TOP TWENTY ORDINARY FULLY PAID SHAREHOLDERS

Rank	Shareholder	Shares Held	Total Shares Held	% Issued Capital
1	ORION EQUITIES LIMITED		20,513,783	26.95%
2	MR FAROOQ KHAN	3,967,586		
	MR FAROOQ KHAN + MS ROSANNA DE CAMPO	7,750,000		
		Sub-total	11,717,586	15.39%
3	CHARLES W ROCKEFELLER PTY LTD		4,042,232	5.31%
4	MR COLIN JOHN VAUGHAN + MRS ROBIN VAUGHAN		3,297,916	4.33%
5	MR JOHN ROBERT DILLON		1,489,019	1.96%
6	MR NICK MASI		1,260,239	1.66%
7	QUESTE COMMUNICATIONS LIMITED		1,225,752	1.61%
8	INGARSBY PTY LTD		730,000	0.96%
9	MR EMIDIO MASI		625,000	0.82%
10	MR PAUL GERARD GRAFEN		506,789	0.67%
11	BOND STREET CUSTODIANS LIMITED		506,241	0.66%
12	KJ & ML GILROY PTY LTD		500,000	0.66%
13	FAP MADON PTY LTD		500,000	0.66%
14	MR PERCY SOHRAB MADON + MRS FARAH PERCY MADON		500,000	0.66%
15	MR JOHN STEPHEN CALVERT		463,213	0.61%
16	MR JINXIANG LU		425,000	0.56%
17	MR HANSJOERG ZINSLI + MRS ALISON NORAH ZINSLI		400,000	0.53%
18	TADMARO PTY LIMITED		400,000	0.53%
19	RAYANN PTY LTD		392,912	0.52%
20	EDDAGATE PTY LIMITED		390,000	0.51%
TOTAL			49,885,682	65.56%