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25 August 2014

The Manager
ASX Market Announcements
Australian Securities Exchange
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

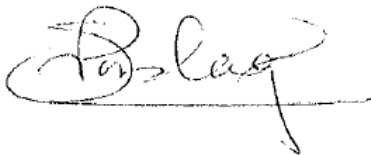
Electronic Lodgement

AMCIL Limited
Statutory Annual Report, Annual Shareholder Review,
Notice of Meeting and Proxy Form

Dear Sir / Madam

Please find attached the 2014 Statutory Annual Report, Annual Shareholder Review, Notice of Meeting and Proxy Form being sent to shareholders.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S. Pordage', with a long horizontal line extending from the end of the signature.

Simon Pordage
Company Secretary

The logo for AMCIL, featuring the letters 'A', 'M', 'C', and 'I' in white on a dark blue rectangular background, followed by the letter 'L' in white on a white background. The 'M' has a yellow accent on its right vertical stroke.

AMCIL

A Focused Portfolio
of Australian Equities

Annual Report 2014

The Company aims to provide shareholders with:

- ▶ Attractive returns through strong capital growth in the portfolio over the medium to long term.
- ▶ The generation of fully franked dividend income.

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DIRECTORS' REPORT

We are pleased to report to the shareholders of AMCIL Limited ('AMCIL' or 'the Company') in relation to the financial year to 30 June 2014 as follows.

YEAR IN SUMMARY

PROFIT FOR THE YEAR

\$6.3m

▼ Down 17.2% from 2013*

* 2013 figure included \$1.1 million of after tax gains from takeover of Hastings Diversified Utilities Fund.

TOTAL PORTFOLIO RETURN

+14.7%

S&P/ASX 200 Accumulation Index +17.4%

TOTAL PORTFOLIO

\$220.2m
Including cash

▲ \$191.5 million in 2013

NET OPERATING RESULT

\$6.3m

▼ Down 3.5% from 2013

TOTAL SHAREHOLDER RETURN

+22.7%

Share price plus dividends

FULLY FRANKED DIVIDEND

2.5¢ Final
4¢ Special
6.5¢ Total

▼ 8 cents total in 2013

MANAGEMENT EXPENSE RATIO

0.65%

0.77% in 2013

5 YEAR SUMMARY

	2014	2013	2012	2011	2010
Profit after tax (\$ million)	6.28	7.58	8.92	8.37	7.00
Net operating result after tax (\$ million)	6.28	6.51	5.67	7.10	4.92
Investments at market value (\$ million) ^(a)	200.2	172.1	152.9	147.9	131.5
Net operating profit per share (cents)	2.81	3.11	2.71	3.50	2.62
Dividends per share (cents)	6.5 ^(b)	8	2.5	3.5	2
Net asset backing per share (cents) ^(c)	95	90	77	78	70
Number of shareholders (30 June)	2,329	2,257	2,190	2,246	2,473

Notes

(a) Excludes cash.

(b) Includes special dividend of 4 cents per share (5 cents in 2013). This was from taxable realised gains and is therefore equivalent to 5.7 cents attributable 'LIC capital gain' (7.1 cents in 2013).

(c) Net asset backing per share based on year-end data before the provision for the final (and special) dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date as Directors do not intend to dispose of the portfolio.

ABOUT THE COMPANY

AMCIL manages a concentrated portfolio comprising 30 to 40 stocks covering large and small companies in the Australian equity market. As a result, small companies by market size can have an equally important impact on portfolio returns as larger companies in the Australian market.

The number of holdings in the portfolio will depend on-market conditions and investment opportunities. The selection of stocks in the portfolio is based on attractive valuations as well as the outlook for growth and the competitive structure of the industry.

The Company aims to provide shareholders with attractive returns through strong capital growth in the portfolio over the medium to long term together with the generation of fully franked dividend income.

Dividend Policy

Depending on the profit and/or realised gains, from year to year the dividends paid by the Company will maximise the distribution of franking credits. It would not be our normal practice to distribute realised capital gains unless franking credits have been generated. As a result, AMCIL's dividends may vary over time.

Investing in the Company

As a listed investment company, the Company's shares can be bought or sold through the Australian Securities Exchange (ASX) (ASX Code: AMH). The Company does not charge entry or exit fees when shareholders acquire or dispose of their holdings, although transaction costs will be borne by the shareholder when buying or selling through a stockbroker. There are no trailing commissions.

Transparency

We take an active approach to keeping shareholders informed about the Company's activities and performance including yearly and half-yearly results announcements, regular shareholder briefings and access to all Company announcements, including monthly net tangible asset announcements, through the ASX and the Company's website www.amcil.com.au

REVIEW OF OPERATIONS AND ACTIVITIES

Profit

Profit for the year was \$6.3 million, down on last year's result of \$7.6 million. Last year's figure included \$1.1 million after tax from the takeover of Hastings Diversified Utilities Fund.

The net operating result, which represents the income generated from the investment and trading portfolios, was also \$6.3 million, marginally down from \$6.5 million last year. The decline in this figure was as a result of a reduced contribution from the trading portfolio and options income which fell from \$0.7 million to \$0.1 million. This fall was partially offset by the increase in deposit income as a relatively high level of cash was held through the period.

Dividend

The Company's dividend policy is to maximise the distribution of available franking credits each year. Accordingly, AMCIL will pay a final dividend of 2.5 cents per share fully franked from operating earnings and a special dividend of 4 cents per share fully franked sourced from after tax realised gains. The total dividends for the year are 6.5 cents per share fully franked, compared with 8 cents last year.

Shareholders are reminded that as a result of this policy dividends are likely to fluctuate from year to year depending on income generated and any realised gains generated through portfolio activity.

Portfolio

AMCIL's portfolio delivered a return of 14.7 per cent over the year whereas the S&P/ASX 200 Accumulation Index return was 17.4 per cent. AMCIL's return is after expenses and a large tax component from significant realised gains this year of \$11.4 million after tax (the corresponding figure last year was \$16.7 million).

The most significant contributors to portfolio performance over the year were Oil Search, iProperty Group, Tassal Group, Commonwealth Bank, Equity Trustees, BHP Billiton and Westpac.

The 10 year return of the portfolio to 30 June 2014, which reflects AMCIL's medium to long term investment time frame, was 13.5 per cent per annum whereas the

Figure 1: Portfolio return – per annum return to 30 June 2014

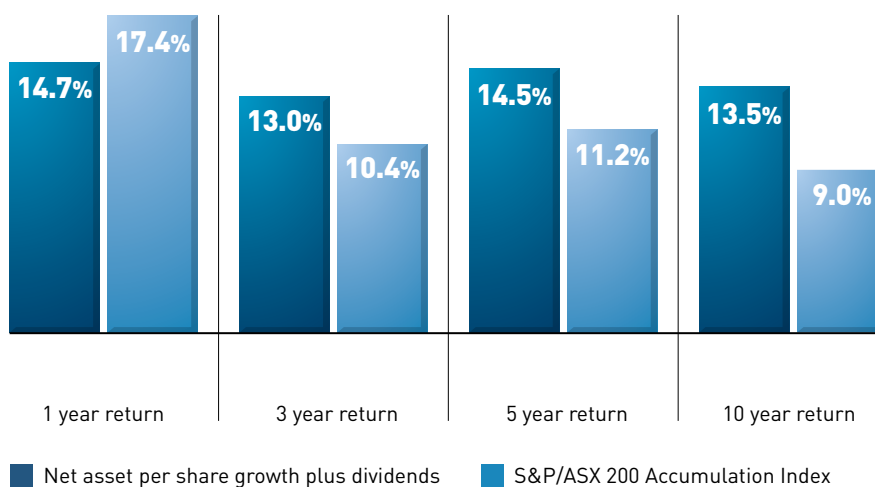
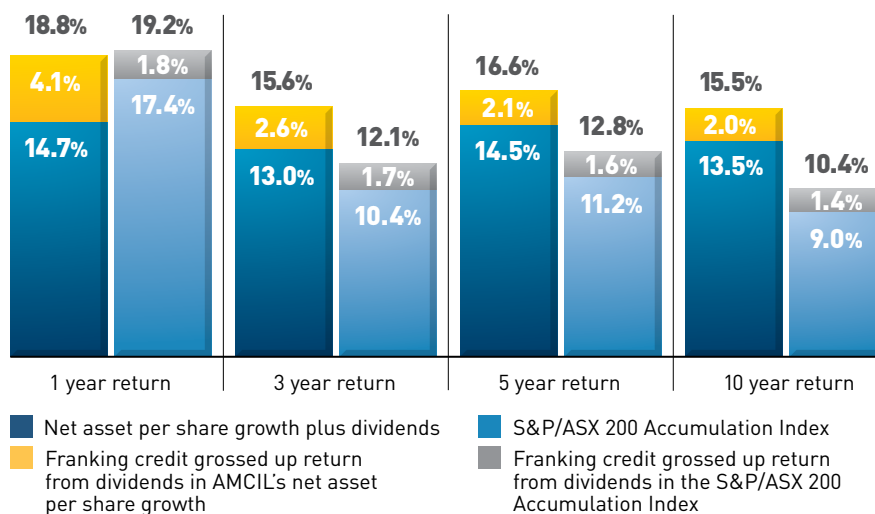


Figure 2: Portfolio performance including benefits of franking credits – per annum return to 30 June 2014



Note: AMCIL's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that index returns for the market do not include management expenses and tax.

index return was 9 per cent per annum. In considering the previous performance figures, AMCIL's return is after fees and tax paid. Given AMCIL's investment approach can generate a significant level of fully franked income, another way to consider the performance of the portfolio is to take into account the impact of franking credits on returns.

Figure 2 highlights the additional benefits franking credits can make to portfolio returns. This chart assumes an investor can fully utilise the distributed franking credits and these have been added to AMCIL's portfolio and index returns.



REVIEW OF OPERATIONS AND ACTIVITIES continued

During the year the strong performance of some of the larger cap stocks in the portfolio meant the AMCIL portfolio had become more concentrated in these holdings. In general, AMCIL seeks to have a portfolio where small companies by market size can have as significant an impact on portfolio returns as larger companies in the Australian market. To this end a number of adjustments were made to the portfolio.

Sales included ANZ Banking Group, Rio Tinto, National Australia Bank, Amcor and Woodside Petroleum.

New companies added to the portfolio throughout the year included Qube Holdings, Treasury Wine Estates, SAI Global, ResMed, TPG Telecom, Lifestyle Communities, Japara Healthcare and Transfield Services.

AMCIL held a relatively high level of cash over the year reflecting our view that it is generally more challenging to find compelling value at these market levels. Selective opportunities have been available in smaller companies, including some IPOs such as Japara Healthcare and Beacon Lighting. We will continue to look at smaller companies where better value appears to be on offer.

Details of the larger purchases in new companies added to the portfolio (other than those already reported to shareholders in the Half-Year Shareholder Review) are as follows:

- **Japara Healthcare** is one of Australia's largest enterprises in the aged care and retirement industry. It owns and operates 35 aged care facilities and four retirement complexes throughout Victoria, South Australia, New South Wales and Tasmania.
- **Treasury Wine Estates** is an Australian-based global winemaking and distribution business. It is the world's largest pure-play listed wine company with over 80 brands, including Beringer Vineyards, Lindeman's, Penfolds, Rosemount Estate and Wolf Blass. The Group manages 11,000 hectares of vineyards and employs more than 3,500 staff across 16 countries.
- **Qube Holdings** is an integrated provider of import and export logistics services with national operations that provide a broad range of services. Qube operates across three divisions, covering Automotive, Bulk and General Stevedoring, Landside Logistics, and Strategic Development Assets.

Figure 3: Sector performance by market capitalisation

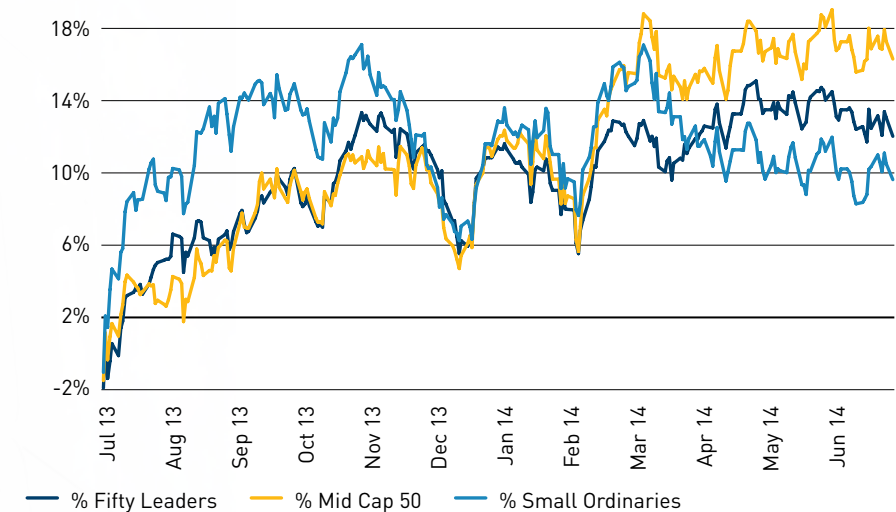
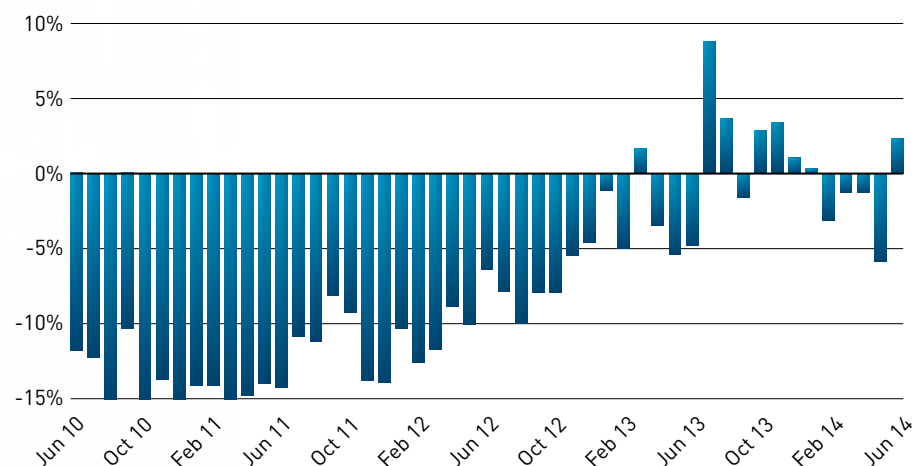


Figure 4: Share price premium/discount to net asset backing



- **SAI Global** provides organisations globally with information services and solutions for managing risk, achieving compliance and driving business improvement. SAI's business is supported by the increasing need to meet regulations, standards and legislation in all its locations. The company is currently subject to a takeover bid by Pacific Equity Partners and has reportedly also been approached by a number of other interested parties.
- **Transfield Services** provides operations and maintenance, asset management, project outsourcing and other services to the resources, industrial, infrastructure, utilities and property sectors. Transfield's clients include major national and international companies, as well as all levels of government.

Purchases in the investment portfolio totaled \$55.6 million for the year with total sales of \$53.0 million for the period.

Share Price

The share price performed well over the year as a result of the portfolio performance and the share price moving to a slight premium to net asset backing at year end. Figure 4 highlights how the share price has traded relative to the net asset backing over recent years.

Directorship Matters

Mr Roger Brown was appointed as a Non-Executive Director of the Company, on 19 February 2014.

Roger is currently the Executive Chairman of ARB Corporation Limited, a position he has held since 1987. He was also the Managing Director of the Company from 1987 to 2012. He has wide experience as a CEO and Director. Roger also brings significant expertise of manufacturing, distribution, retailing and research and design from ARB Corporation's involvement in the automotive industry in Australia and overseas.

Roger's educational qualifications include a Bachelor of Engineering and a Master of Business Administration.

We are delighted to welcome Roger to the Board and look forward to the contribution he will make to our deliberations.

As notified to shareholders in the Half-Year Review, Mr Terry Campbell AO and Mr Stan Wallis AC retired from the Board at the conclusion of the Annual General Meeting held on 9 October 2013.

Financial Condition

The Company's financing consists predominantly of shareholders' funds.

Likely Developments

The Company intends to continue its investment activities in future years as it has done since recapitalisation. The results of these investment activities depend upon the performance of the companies and securities in which we invest. Their performance in turn depends on many economic factors. These include economic growth rates, inflation, interest rates, exchange rates and taxation levels.

There are also industry and company-specific issues such as management competence, capital strength, industry economics and competitive behaviour.

The Directors do not believe it is possible or appropriate to make a prediction on the future course of markets or the performance of the Company's investments. Accordingly, Directors do not provide a forecast of the likely results of our activities. However, the Company's focus is on results over the medium to long term.

Dividends

Directors have declared a fully franked final dividend of 2.5 cents per share plus a fully franked special dividend of 4 cents, totalling 6.5 cents per share fully franked for the year (8 cents fully franked last year).

The dividend paid during the year ended 30 June 2014 was as follows:

	<u>\$'000</u>
Final dividend for the year ended 30 June 2013 of 3 cents fully franked at 30 per cent plus a special dividend of 5 cents, also fully franked, paid on 27 August 2013	<u>16,727</u>

Listed Investment Company Capital Gains

Listed investment companies (LICs) which make capital gains upon which tax is payable on the sale of investments held for more than one year are able to attach to their dividends a LIC capital gains amount which some shareholders are able to use to claim a tax deduction. This is called an 'LIC capital gain attributable part'. The purpose of this is to put shareholders in listed investment companies on a similar footing with holders of managed investment trusts with respect to capital gains tax on the sale of underlying investments.

Tax legislation sets out the definition of a 'listed investment company' which AMCIL satisfies. Furthermore, from time to time the Company sells securities out of the investment portfolio held for more than one year, which may result in capital gains being made and tax being paid. The Company is therefore on occasion in a position to be able to make available to shareholders a LIC capital gain attributable part with our dividends. In respect of this year's special dividend of 4 cents per share for the year ended 30 June 2014, it carries with it a 5.7 cents per share LIC capital gain attributable part. The amount which shareholders may be able to claim as a tax deduction depends on their individual situation. Further details are provided in the dividend statements.

Significant Changes in the State of Affairs

Directors are not aware of any other significant changes in the operations of the Company, or the environment in which it operates, that will adversely affect the results in subsequent years.

Events Since Balance Date

The Directors are not aware of any other matters or circumstance not otherwise disclosed in the Financial Report or the Directors' Report which has arisen since the end of the financial year that has affected or may affect the operations, or the results of those operations, or the state of affairs of the Company in subsequent financial years.

Environmental Regulations

The Company's operations are such that they are not directly affected by any material environmental regulations.

Rounding of Amounts

The Company is of the kind referred to in Class Order 98/100 (as amended) issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' Report and Financial Report. Unless specifically stated otherwise, amounts in the Directors' Report and Financial Report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

Capital Changes

As a result of the Company's Dividend Reinvestment Plan being reinstated for the 2013 final and special dividends, 7,082,783 new shares were issued at \$0.87 per share in August 2013.

As a result of the 2013 Share Purchase Plan, 11,905,975 new shares were issued at \$0.85 per share in October 2013.

The Company's buy-back facility remains open, although no shares were bought back during the year.

The Company's contributed equity rose by \$16.2 million to \$145.6 million from \$129.4 million. At 30 June 2014 the Company had 228.1 million shares on issue.

TOP 20 INVESTMENTS

As at 30 June 2014

Includes investments held in both the investment and trading portfolios.

Valued at closing prices at 30 June 2014

		Total Value \$'000	% of Portfolio
1	Oil Search	17,814	8.9
2	Commonwealth Bank of Australia	14,963	7.5
3	BHP Billiton	14,629	7.3
4	Westpac Banking Corporation	10,842	5.4
5	Santos	9,697	4.8
6	Transurban Group	9,336	4.7
7	National Australia Bank	8,195	4.1
8	Telstra Corporation	8,164	4.1
9	Brambles	7,995	4.0
10	Equity Trustees	6,704	3.3
11	QBE Insurance Group	5,757	2.9
12	AMP	5,717	2.9
13	Qube Holdings	5,700	2.8
14	Tox Free Solutions	4,732	2.4
15	Incitec Pivot	4,350	2.2
16	Tassal Group	4,343	2.2
17	CSL	4,126	2.1
18	Brickworks	3,964	2.0
19	SAI Global	3,833	1.9
20	Computershare	3,787	1.9
Total		154,648	

As a percentage of total portfolio (excludes cash) **77.3%**

Cash position at 30 June 2014 – \$20.0 million.

BOARD AND MANAGEMENT

Directors

Bruce B Teele BSc, BCom (Melb). Chairman and Non-Executive Director. Chairman of the Investment Committee.

Mr Teele was elected to the Board in 2003 and appointed Chairman in 2004. He is a Director of Djerriwarrh Investments Limited. He was formerly the Executive Chairman of the JBWere Group and is the former Chairman of Australian Foundation Investment Company Limited (AFIC).

Ross E Barker BSc (Hons), MBA (Melb), F Fin. Managing Director. Member of the Investment Committee.

Mr Barker has been a Director of the Company since May 1996 and was appointed Managing Director in February 2001. He is also Managing Director of AFIC, Djerriwarrh Investments Limited and Mirrabooka Investments Limited. He is also a Director of Melbourne Business School Ltd and a member of the Financial Reporting Council.

Peter C Barnett FCPA. Independent Non-Executive Director. Chairman of the Audit Committee and Member of the Investment Committee.

Mr Barnett is a Company Director who was appointed a Director in August 1996. He is a Director of Djerriwarrh Investments Limited. He is a former Director of Mayne Group Limited and Santos Limited and a former member of the advisory council of ABN Amro Australasia Limited.

Roger Brown B.Eng, MBA. Independent Non-Executive Director.

Mr Brown was appointed to the Board in February 2014. He has been the Executive Chairman of ARB Corporation Limited since February 1987. Mr Brown also held the position of Managing Director of the company from 1987 to 2012.

Rupert Myer AM BCom (Hons) (Melb), MA (Cantab). Independent Non-Executive Director. Member of the Audit Committee and the Investment Committee.

Mr Myer is a Company Director and was appointed a Director in January 2000. He is Chairman of the Australia Council for the Arts, Deputy Chairman of Myer Holdings Ltd and a Director of The Myer Foundation and Healthscope Limited. Mr Myer was formerly a Director of Diversified United Investment Limited.

Richard B (Bob) Santamaria BCom, LLB (Hons) (Melb). Independent Non-Executive Director. Member of the Audit Committee and the Investment Committee.

Mr Santamaria was appointed a Director in August 1996. He is Group General Counsel of Australia and New Zealand Banking Group Limited and was formerly a Partner and Executive Partner Corporate at the law firm Allens Arthur Robinson (now Allens). He is a former Director of ANZ Trustees Limited.

Senior Executives

Geoffrey N Driver B Ec, Grad Dip Finance. General Manager, Business Development and Investor Relations.

Mr Driver joined the Company in January 2003. Previously, he was with National Australia Bank Ltd for 18 years in various roles covering business strategy, marketing, distribution, investor relations and business operations. Mr Driver is a Director on the Board of Trust for Nature (Victoria).

R Mark Freeman BE, MBA, Grad Dip App Fin (Sec Inst), AMP (INSEAD). Chief Investment Officer.

Mr Freeman has been Chief Investment Officer since joining the Company in February 2007. Prior to this he was a Partner with Goldman Sachs JBWere where he spent 12 years advising the Investment Companies on their investment and dealing activities. He has a deep knowledge and experience of investments markets and the Company's approaches, policies and processes.

Simon M Pordage LLB (Hons), FGIA, FCIS, MAICD. Company Secretary.

Mr Pordage joined the Company in February 2009. He is a Chartered Secretary and has over 16 years' company secretarial experience and was previously Deputy Company Secretary for Australia & New Zealand Banking Group Limited and prior to that was Head of Board Support for Barclays PLC in the United Kingdom. He is a Vice President and Non-Executive Director of Governance Institute of Australia, Chairman of their National Legislation Review Committee and Deputy Chairman of their Victorian Council.

Andrew JB Porter MA (Hons) (St And), FCA. Chief Financial Officer.

Mr Porter joined the Company in January 2005. He is a chartered accountant and has had over 20 years' experience in accounting and financial management both in the United Kingdom with Andersen Consulting and Credit Suisse First Boston and in Australia where he was Regional Chief Operating Officer for the Corporate and Investment Banking Division of CSFB. He is also a Non-Executive Director of the Royal Victorian Eye & Ear Hospital.

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 30 June 2014 and the numbers of meetings attended by each Director were:

	Board		Investment Committee		Audit Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
BB Teele	12	12	18	18	-	-
RE Barker	12	11	18	16	-	3 [#]
PC Barnett	12	11	18	15	3	3
TA Campbell**	3	2	5	2	-	-
RH Myer	12	11	18	16	3	3
R Brown*	4	3	-	4 [#]	-	-
RB Santamaria	12	10	18	12	3	3
SDM Wallis**	3	2	5	2	-	-

Attended meetings by invitation.

* R Brown became a Director of the Company on 19 February 2014.

** Retired as a Director on 9 October 2013.

Retirement, Election and Continuation in Office of Directors

Messrs Campbell and Wallis retired from office at the 2013 Annual General Meeting (AGM).

Mr RG Brown was appointed to the Board since the last AGM and as such, will retire and, being eligible will offer himself for election at the forthcoming 2014 AGM.

Messrs BB Teele and RB Santamaria, having last been re-elected by shareholders at the 2011 AGM, will retire and being eligible, will offer themselves for re-election at the forthcoming 2014 AGM.

Insurance of Directors and Officers

During the financial year, the Company paid insurance premiums to insure the Directors and Officers named in this report to the extent allowable by law. The terms of the insurance contract preclude disclosure of further details.

REMUNERATION REPORT

(a) Principles Used to Determine Nature and Amount of Remuneration

The constitution of AMCIL requires approval by the shareholders in general meeting of a maximum amount of remuneration to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors, together with such factors as the general level of fees paid to Australian corporate directors. The amount of remuneration excludes amounts that were owing to them when the Directors, retirement allowances were frozen at 31 December 2003. Shareholders approved an aggregate maximum amount of \$600,000 for the remuneration of Directors at the AGM in October 2012.

Directors hold office until such time as they retire, resign or are removed from office under the terms set out in the constitution of the Company.

AMCIL does not pay any performance-based remuneration.

Mr Barker serves as Managing Director of AMCIL pursuant to an agreement with Australian Investment Company Services (AICS). As part of these remuneration arrangements with AICS, Mr Barker receives an 'at risk' component which is based on performance, as do other Executives. The performance criteria include quantitative and qualitative assessments which include, amongst other things, the services that they have provided to AMCIL and for which AICS is paid.

The Directors and the Company have agreed to freeze Directors' retirement benefits at the 31 December 2003 level. This frozen amount will be paid to the respective Directors when they ultimately retire, without further adjustment. The Company continues to pay SGC contributions on Directors' fees.

(b) Remuneration of Directors

Directors of the Company determine the fees of Directors within the aggregate limit established by shareholders in general meeting.

Details of the nature and amounts of each Director's remuneration in respect of the year to 30 June 2014 were as follows:

	Short Term Fee/Base Salary \$	Post Employment Superannuation \$	Total Remuneration \$
BB Teele: Chairman (Non-Executive)			
2014	103,890	9,610	113,500
2013	105,000	5,000	110,000
RE Barker: Managing Director (Executive)			
2014	-	-	-
2013	-	-	-
PC Barnett: Director (Non-Executive)			
2014	42,134	14,616	56,750
2013	50,459	4,541	55,000
RG Brown: Director (Non-Executive)(appointed 19 February 2014)			
2014	19,843	1,835	21,678
TA Campbell: Director (Non-Executive)(retired 9 October 2013)			
2014	13,827	1,279	15,106
2013	55,000	-	55,000
RH Myer: Director (Non-Executive)			
2014	51,945	4,805	56,750
2013	50,459	4,541	55,000
RB Santamaria: Director (Non-Executive)			
2014	51,945	4,805	56,750
2013	50,459	4,541	55,000
SDM Wallis: Director (Non-Executive) (retired 9 October 2013)			
2014	13,827	1,279	15,106
2013	50,459	4,541	55,000
Total Remuneration: Directors			
2014	297,411	38,229	335,640
2013	361,836	23,164	385,000

REMUNERATION REPORT continued

(c) Directors' Retirement Allowances

The Board proposed and shareholders approved at the 2004 AGM discontinuing the practice of paying Directors' retirement allowances.

The Director's retirement allowance provided in past years was equal to the total emoluments that the Director received in the three years immediately preceding retirement, where a Director had held office for five or more years and a proportionate part for less than five years' service.

For relevant Directors in office at 31 December 2003, the amounts accrued as at that date will be paid to them upon their ultimate retirement. No further accruals of Directors' retiring allowances will be made after 31 December 2003. New Directors appointed to the Company, including Mr Teele who was re-appointed on 19 December 2003, will not be entitled to any Directors' retirement allowance.

The amounts payable to the respective current Directors who were in office at 31 December 2003, which will be paid when they retire, are set out below. These amounts were expensed in prior years as the retirement allowances accrued. It is not expected that any of these Directors will retire within the next 12 months.

	Amount Payable on Retirement \$
RE Barker	87,000
PC Barnett	87,000
RH Myer	68,150
RB Santamaria	87,000
	<hr/> 329,150

During the year ended 30 June 2014 \$174,000 was paid to Mr Campbell as a retirement allowance, such amounts having been accrued at 31 December 2003, in accordance with the policy outlined above. Mr Wallis, who was appointed a Director on 24 March 2004, was not entitled to any Directors' retirement allowance.

Holdings of Securities Issued by the Company

As at the date of this report, Directors and Executives who hold shares issued by the Company for their own benefit or who have an interest in holdings in the name of another party, and the total number of such securities, are as follows:

2014	Balance at 1 July 2013	Net Changes	Balance at 30 June 2014
BB Teele	34,111,245	2,933,049	37,044,294
RE Barker	4,413,504	165,763	4,579,267
PC Barnett	573,789	17,648	591,437
RG Brown	n/a	-	0
RH Myer	636,155	76,145	712,300
RB Santamaria	245,008	40,177	285,185
RM Freeman	493,745	35,296	529,041
GN Driver	194,890	37,768	232,658
SM Pordage	1,467	1,186	2,653
AJB Porter	2,701	2,739	5,440

It is the Company's policy that no AMCIL shares owned by Directors or Executives are held subject to margin loans.

(d) Executives

The Company has five Executives, RE Barker, Managing Director, GN Driver, General Manager – Business Development and Investor Relations, RM Freeman, Chief Investment Officer, AJB Porter, Chief Financial Officer and SM Pordage who is Company Secretary (2013: five Executives). No remuneration is paid to the Executives directly by AMCIL as their services are provided pursuant to the arrangements with AICS outlined in the Notes to the Financial Statements.

NON-AUDIT SERVICES

Details of non-audit services performed by the auditors may be found in Note 23 of the Financial Report.

The Board of Directors has considered the position and, in accordance with the advice received from the Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in the *Corporations Act 2001* including reviewing or auditing the auditor's own work, acting in management or a decision-making capacity for the Company, acting as advocate for the Company, or jointly sharing economic risk and rewards.

A copy of the Auditor's Independence Declaration is set out on page 14.

This report in relation to the financial year to 30 June 2014 is presented by the Directors of the Company in accordance with a resolution of Directors.



Bruce Teele
Chairman

Melbourne
22 July 2014

AUDITOR'S INDEPENDENCE DECLARATION



Auditor's Independence Declaration

As lead auditor for the audit of AMCIL Limited for the year ended 30 June 2014, I declare that to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Charles Christie'.

Charles Christie
Partner
PricewaterhouseCoopers

Melbourne
22 July 2014

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CORPORATE GOVERNANCE STATEMENT

The Board of AMCIL is committed to having high standards of ethical behaviour and to having an effective system of corporate governance commensurate with the size of the Company and the scope of its business operations.

In accordance with ASX Listing Rule 4.10.3, set out below are the applicable ASX Corporate Governance Council's eight principles of corporate governance (ASX Governance Principles) and outlined accordingly is how the Board has applied each principle and the recommendations set out within them. A full copy of the ASX Governance Principles and the underlying recommendations can be found on the ASX's website.

The Company is fully supportive of the 'if not, why not' disclosure-based approach to governance adopted by the ASX Governance Principles and the recognition within them that there is no single model of corporate governance and that good corporate governance practice is not restricted to adopting the recommendations contained in the ASX Governance Principles.

There are a small number of recommendations made in the ASX Governance Principles that the Board, following careful consideration, has not adopted. Full details of these, together with an explanation of why an alternative and more appropriate approach has been taken by the Board, are set out in the following statement.

Principle 1: Laying Solid Foundations for Management and Oversight

Compliance with the first Principle requires the Company to establish and disclose the respective roles and responsibilities of both the Board and management.

Role of the Board

The Corporate Objective of the Company, as determined by the Board, is to provide shareholders with attractive returns through strong capital growth in the portfolio over the medium to long term together with the generation of fully franked dividend income.

The role of the Board underpins and supports the Corporate Objective of the Company. The Board generally sets objectives and goals for the operation of the Company, oversees the Company's management, regularly reviews the Company's performance and monitors its affairs in the best interests of the Company. For these responsibilities, the Board is accountable to its shareholders as owners of the Company.

The Board operates under a Board charter, available on the Company's website, which documents the role of the Board outlined above and the matters that the Board has reserved to itself. Those matters include:

- setting the Corporate Objective of the Company and approving business strategies and plans of the Company designed to meet that objective;
- approving the expense budget at least annually;
- approving changes to the Company's capital structure and dividend policy;
- appointing and removing the CEO/Managing Director and carrying out succession planning for the CEO/Managing Director as applicable;
- approving the Company's risk appetite; and
- reviewing the performance of management and the Company, including in relation to the risk management, internal controls and compliance systems adopted by the Company and the monitoring and review of the performance of Australian Investment Company Services Limited (AICS) in relation to the services that AICS provides the Company.

The Directors meet formally as a Board normally monthly and the Non-Executive Directors meet regularly in the absence of the Managing Director and members of management.

Delegation to Board Committees

The Board has established the following principal Board Committees to assist the Board in exercising its authority:

- Investment Committee; and
- Audit Committee.

Each Board Committee operates under a formal charter that is made publicly available on the Company's website. The role and work of the Audit Committee is outlined under Principle 4, on page 20 and Principle 7, on page 21.

The general role of the Investment Committee, whose membership currently comprises each of the Directors, is to review investment decisions to support the Company's Corporate Objective. In doing this, the Committee:

- reviews investment decisions to maintain the investment and trading portfolios;
- makes decisions in relation to other portfolio-related activities including voting instructions and lodgement of proxies in respect of general meetings of companies in which the Company has invested;
- receives reports from management on portfolio matters, including portfolio performance, transaction reports, portfolio position reports and performance attribution analysis; and
- receives reports and recommendations in relation to the review and analysis of companies/securities in which the Company is able to invest, or has invested.

The Committee also plays an important role in the oversight of investment risk, which is set out under Principle 7 on page 22.

The number of Board and Board Committee meetings held during the year and attendance by Directors are set out on page 9.

Delegation to Management

The Company has entered into an agreement with AICS to provide a comprehensive range of management, finance, marketing/business development and securities/stock market services to the Company under the leadership of the Managing Director, including the day-to-day maintenance of the portfolios and associated research. The Managing Director is responsible to the Company for the performance of those services and the Board acts in close consultation and cooperation with AICS in relation to the provision of services by AICS to the Company. AICS is paid a fee based on its costs in providing these services.

The Board believes that the Company is fully compliant with Principle 1. As set out above, the Board reviews the performance of AICS, under the leadership of the Managing Director, in providing services to the Company. More details regarding the oversight of AICS can be found below under Operational Risk on page 22. Separate evaluations of the performance of individual Senior Executives are carried out by AICS.

Principle 2: Structuring the Board to Add Value

Compliance with this Principle requires the Company to have a Board of effective composition, size and commitment to adequately discharge its responsibilities and duties.

The Board

The Board is comprised of a Non-Executive Chairman (BB Teele), Managing Director (RE Barker) and four Non-Executive Directors (PC Barnett, RG Brown, RH Myer and RB Santamaria). The Directors' Report on page 8 sets out the details of the skills, experience, and expertise of each Director.

The roles of the Chairman and Managing Director are separate. The role of the Managing Director is set out under Principle 1, above. The role of the Chairman is set out in the Board charter, and includes being responsible for:

- the business of the Board, taking into account the issues and the concerns of all Directors and the requirements of the Board charter;
- the leadership and conduct of Board and Company meetings to be in accordance with the agreed agenda, the Company's Corporate Objective and Principles of Conduct (described under Principle 3, below); and
- encouraging active engagement by Directors and an open and constructive relationship between the Board and the Managing Director and Senior Executives.

The Chairman also has the authority to act and speak for the Board between meetings, subject to any agreed consultation processes.

To assist Directors to fully meet their responsibilities to bring an independent view to matters coming before them, the Board has agreed upon a procedure in appropriate situations for Directors to take independent professional advice, at the expense of the Company, after advising the Chairman of their intention to do so. This is in relation to carrying out their duties as members of the Board and members of Board Committees.

All Directors have entered into an agreement with the Company covering the terms of their appointment with regard to access to documents, Director's indemnity against liability, and Directors' and Officers' insurance.

Directors of the Company are encouraged to have a meaningful financial interest in the Company. In this way, the Directors participate in improving shareholder value on the same basis as all other shareholders.

Appointment and Re-election

Details of the term of office held by each Director in office as at the date of this report are as follows:

BB Teele	– 11 years
RE Barker	– 18 years
RG Brown	– appointed 19 February 2014
PC Barnett	– 18 years
RH Myer	– 14 years
RB Santamaria	– 18 years

Due to the size of the Company, the Board has not established a formal Nomination Committee and the functions of a Nomination Committee, including reviewing Board and Committee composition and reviewing potential Board candidates, are undertaken by the full Board, led by the Chairman.

The Company is a long term investor. When looking at the Board's composition, continuity on the Board and a Director's experience of the Company and the market it operates in through different economic cycles are important factors that are considered. The Board's approach to diversity, including the mix of skills and diversity the Board is looking for in its own membership is discussed under Principle 3, below.

The performance of the Board, its Committees and individual Directors is the subject of continuous oversight by the Chairman and the Board as a whole. As set out under Principle 1 above (page 15), the Non-Executive Directors meet regularly in the absence of the Managing Director and management and discuss such issues in that forum. In addition, during the year the Chairman has met with each Non-Executive Director individually to discuss issues including performance and discussed with each Director the effectiveness of the Board, Board Committees and individual Directors with the intention of providing mutual feedback.

The Company's constitution provides that each Non-Executive Director must seek re-election by shareholders at least every three years if they wish to remain a Director. Any new Non-Executive Director appointed by the Board must seek election by shareholders at the next Annual General Meeting of the Company. This approach is consistent with the ASX Listing Rules.

Independence

The Board reviews the independence of each of the Directors (excluding the Managing Director) on an annual basis, taking into account the factors set out in the ASX Governance Principles, including situations where an individual Director may be a partner in, controlling shareholder of, or Executive of, an entity which has a material commercial relationship with the Company.

In looking at such relationships, the Board has set an initial materiality threshold of \$500,000 and this threshold is reviewed annually by the Board.

BB Teele, the Chairman, was a Director of the Company from the original commencement of activities in 1996 up to February 2000 and again since December 2003. He and his related interests together have a substantial shareholding in the Company (currently 16.24 per cent) and therefore he is not considered to be an independent Director. As AMCIL is a listed investment company and is a long term investor, it is of great assistance to have a Chairman with a depth of experience and skills in the securities industry and who is also involved in the investment decisions of the Company. Accordingly, an independent Chairman is not regarded as necessary.

Mr Barnett is an independent Non-Executive Director of Djerrivarr Investments Limited (DJW), which ceased being a substantial shareholder of the Company during the financial year. The Board has previously considered this relationship and looking at all the circumstances, including the size of the substantial holding in the Company by DJW, that Mr Barnett is an independent Non-Executive Director of DJW, and the procedures both companies have in place to manage conflicts of interest, the Board had determined that Mr Barnett remains independent. This continues to be the case.

The remaining Non-Executive Directors, being RG Brown, RH Myer and RB Santamaria, are regarded as independent.

Directors may also be Directors of companies in which the Company invests. Any real or potential conflicts of interest are dealt with by procedures consistent with Corporations Act requirements which are designed to ensure that conflicted Directors do not take part in the decision-making process on relevant issues. On this basis, it is believed that their independence on all other issues is not compromised. Accordingly, the Board consists of a majority of independent Non-Executive Directors.

The Board believes that the Company is fully compliant with Principle 2, but that for the reasons stated above, it does not consider it appropriate to follow the recommendations that the Chairman should be an independent Director and that a separate Nomination Committee be established.

Principle 3: Promotion of Ethical and Responsible Decision-making

Compliance with this Principle requires that the Company should actively promote ethical and responsible decision-making. The Board and Senior Executives are committed to maintaining the highest standards of integrity and seek to ensure the Company's activities are undertaken with efficiency, honesty and fairness. The Company also maintains a high level of transparency regarding its actions consistent with the need to maintain the confidentiality of commercial-in-confidence material and, where appropriate, to protect the shareholders' interests.

The Company has a Securities Dealing Policy, Corporate Principles of Conduct for Directors and Senior Executives and a Diversity Policy which are available on the Company's website.

Securities Dealing Policy

Under the policy, Directors and Senior Executives are prohibited from dealing in the Company's securities from 15 December and 15 June up to and including the calendar day after the Company's announcement of its half and full year financial results as appropriate; and the opening of business on the last business day of each month up to and including the calendar day after the monthly net tangible asset per share announcement.

In addition, they must not deal in the Company's securities for short term purposes, must not engage in short-selling of the Company's securities, and are prohibited from using the Company's securities as security for margin lending arrangements or other loans. They must also use their best endeavours to ensure they are not put in a position of conflict with the policy by virtue of having margin or other loans over other securities.

Compliance with the policy is a condition of the appointment of each Senior Executive with the Company and a condition of their employment with AICS.

Corporate Principles of Conduct

The Company has adopted Corporate Principles of Conduct which outline ethical standards to be followed by Directors and Senior Executives of AMCIL when carrying out their responsibilities with a view to the Company achieving its aims.

Under the Principles, Directors and Senior Executives will:

- conduct business in good faith in the best interests of the Company with efficiency, honesty and fairness;
- perform their duties with the utmost integrity and the standard of care and diligence expected of an organisation of the highest calibre;
- treat others with dignity and respect; and
- not engage in conduct likely to have an adverse effect on the reputation of the Company.

The Corporate Principles of Conduct also set out details of how conflicts of interest should be avoided. The Company's Directors and employees must disclose to the Company any material personal interest that they or any associate may have in a matter that relates to the affairs of the Company.

Where a conflict of interest may arise, full disclosure by all interested persons must be made and appropriate arrangements followed, such that interested persons are not included in making the relevant decisions and discussions.

AICS has its own comprehensive Principles of Conduct in place that covers the behaviours and actions of its employees.

Compliance with those Principles is a condition of the appointment of each Senior Executive with the Company and a condition of their employment with AICS.

Diversity

The Board recognises that having a diverse Board will assist it in effectively carrying out its role in meeting the Company's Corporate Objective.

The Board views diversity as including, but not being limited to, skills, qualifications, experience, gender, race, age, disability, ethnicity and cultural background.

The Board has established a Board Diversity Policy that is available on the Company's website.

The Company has a number of characteristics that have an important influence on how the Board deals with Board and organisational diversity:

- As the Company is a long term shareholder, it is beneficial to have Directors who serve for a long period of time, experiencing different economic and business cycles.
- As management, financial, business development/marketing and securities/stock market services are provided to the Company by AICS, the Company has no employees.
- Senior Executives of the Company are the Senior Executives of AICS. AICS is responsible for, and best placed to determine, its own employment practices. However, the Company has in place processes to monitor the performance of AICS.

As such, the policy is limited to Board diversity.

The Board has determined that, in terms of the mix of skills and diversity it is looking for in its own membership, it is best served by having a mix of individuals with deep expertise and a breadth of experience in the following areas:

- leading and managing successful corporations, at both Executive and Board level;
- advising successful corporations (including legal and accounting advice);
- the investment industry; and
- organisations with diverse governance and regulatory regimes (including charities, not for profits, private companies and international organisations).

When the Board is looking for an additional member, the overarching priority will be to appoint an individual who will provide the Company with the best opportunity to meet its Corporate Objective.

Under the policy, the Board has set as an objective to embed gender diversity as an active consideration in succession planning for all Board positions. Board succession has been a key area for discussion by the Board during the year, with gender diversity an active part of those discussions. Mr RG Brown, with extensive experience in leading and managing a successful listed company as both Managing Director and Chairman, was appointed to the Board during the year.

The Board has six Directors, all male, including the Managing Director provided by AICS. The Company has four other Senior Executives, provided by AICS, who are all male.

Whistleblower Protection Policy

The Company also has in place a Whistleblower Protection Policy that establishes a formal framework within which individuals are able, in a secure way, to express their genuine concerns about unlawful behaviour or breaches of policy, free from the threat of victimisation or reprisal and on the understanding that their concerns will be investigated and that, where appropriate, action will be taken to redress the situation.

Any individual making a report in good faith under the policy will be protected by AMCIL from any victimisation, including harassment, reprisals, discrimination or other form of detriment, as a result of making such a report. AICS also has the same policy in place covering their employees.

The Board believes that the Company is fully compliant with Principle 3 and its recommendations.

Principle 4: Safeguarding Integrity in Financial Reporting

Compliance with this Principle requires that the Company has a structure to independently verify and safeguard the integrity of the Company's financial reporting.

Audit Committee

The Company has established an Audit Committee which comprises three members, all of whom are independent Directors: PC Barnett (Chairman), RH Myer and RB Santamaria. Details of their qualifications and number of meetings attended are set out in the Directors' Report on pages 8 and 9.

All members of the Audit Committee have the requisite financial experience and understanding to effectively discharge the Committee's responsibilities under its charter. In addition, the Chairman of the Committee is a Fellow of CPA Australia and as such has relevant experience and qualifications, but has no responsibilities additional to those of other members of the Audit Committee other than being Chairman of the Committee.

The Audit Committee normally meets three times a year and is responsible for reviewing:

- the Company's accounting policies;
- the content of financial statements;
- issues relating to the controls applied to the Company's activities;
- the conduct, effectiveness and independence of the external audit;
- risk management and related issues; and
- compliance issues.

The role of the Audit Committee in respect to its oversight of risk management and related issues is set out under Principle 7, on page 21.

Written Affirmations

The Board has received from the Managing Director and the Chief Financial Officer written affirmations concerning the Company's financial statements as set out in the Directors' Declaration on page 46, pursuant to the *Corporations Act 2001*.

External Audit

The Company has a process to ensure the independence and competence of the Company's external auditors, and includes the Audit Committee reviewing any non-audit work to ensure that it does not conflict with audit independence. Policies relating to rotating external audit engagement partners are set by the external audit firm in accordance with the Corporations Act and international best practice requirements. In the event that the Company decides to change the external auditors, it would enter into a competitive tender.

Details of non-audit services provided by the external auditor are set out on page 13. The Audit Committee meets regularly with the external auditor in the absence of management.

The Board believes that the Company is fully compliant with Principle 4 and its recommendations.

Principle 5: Timely and Balanced Disclosure

Compliance with this Principle requires that the Company promotes timely and balanced disclosure of all material matters concerning the Company.

As a listed entity, the Company has an obligation under the ASX Listing Rules to maintain an informed market in its securities.

Accordingly, the Company keeps the market advised of all information required to be disclosed under the Listing Rules, which the Company believes would or may have a material effect on the price or value of the Company's securities.

The Company has a written policy and procedures designed to ensure compliance with the ASX Listing Rules and the Corporations Act disclosure requirements and to ensure accountability at a senior management level for that compliance. The policy is publicly available on the Company's website.

The Board believes that the Company is fully compliant with Principle 5 and its recommendations.

Principle 6: Respecting the Rights of Shareholders

Compliance with this Principle requires that the Company respects the rights of shareholders and facilitates the effective exercise of those rights. The Company is owned by its shareholders and the Board's primary responsibility to them is to do its utmost to meet the Company's objectives and so increase the Company's value for all shareholders. The Board's policy is to maintain active communication with shareholders as owners of the Company.

In addition to communicating to shareholders via the Annual and Half-Yearly Reports, the Company holds an Annual General Meeting of shareholders to fulfil statutory requirements, to provide shareholders with the opportunity to meet with representatives of the Board and Management, to learn more about the Company's activities and, particularly, to provide an opportunity to question the Board and Management about any aspect of the Company's activities.

In addition to the Annual General Meeting, the Company holds non-statutory shareholder information meetings in major cities around Australia, which provides shareholders around the country with a further opportunity to interact more informally with representatives of the Board and Management. During the financial year, the Company held such meetings in Melbourne, Sydney, Adelaide, Canberra and Brisbane.

A comprehensive website is also maintained by the Company on which all ASX announcements, Annual Reports, Half-Yearly Reports, details of corporate governance practices, presentations to shareholders, and related material are posted and available for shareholders and investors.

The Board believes that the Company is fully compliant with Principle 6 and its recommendations.

Principle 7: Recognising and Managing Risk

Compliance with this Principle requires that the Board establishes a sound system of risk oversight and management and internal control.

The Company has established and maintains a sound system of risk oversight, management and internal control. The Risk Management Framework adopted by the Company is available on the Company's website.

The framework has been developed to take into account the principles and guidelines outlined in AS/NZS ISO 31000: 2009 Risk Management – Principles and Guidelines. This approach involves establishing the context in which it operates, identifying the risks, analysing those risks, evaluating the risks, treating the risks where appropriate and monitoring, reviewing and reporting risks and the overall performance of the framework.

This process is underpinned through regular communication and consultation with key business stakeholders. AMCIL has a conservative risk appetite whilst accepting that the nature of investing in equities and other securities carries an inherent market risk. The framework forms the basis for embedding enterprise risk management within the culture of the organisation and is appropriate for the size and complexity of the Company.

The objectives of it are to:

- enable the Company to meet its obligations and objectives efficiently and reliably;
- increase the likelihood that the Company will be successful in its business operations by mitigating potentially damaging events occurring (e.g. operational risk) and maximising the results of positive events (e.g. financial position, investment strategies, etc.), through the implementation of risk management strategies;
- provide decision-makers with the means to identify risks and to determine whether the controls in place are adequate to mitigate those risks;
- provide a mechanism to assess the levels of risk that can be accepted;
- ensure that the application of risk management practices is understood by the agents, employees, officers and Directors of the Company; and a strong risk culture is well entrenched; and
- reduce the consequence and/or likelihood of potentially damaging events by regular reviews of investments and investment strategies or by transferring the impact of potentially damaging events to third parties (e.g. by insurance and contractual arrangements) for outsourced arrangements, where appropriate.

The Board is assisted in its risk management activities by the Audit Committee and coordination of risk management activities is done by the Chief Financial Officer, who reports to the Audit Committee on such matters. The framework is reviewed on an annual basis.

There are two main areas of risk that have been identified:

- investment risk; and
- operational risk.

Investment Risk

Investment risk includes:

- market risk;
- credit, counter-party and settlement risk;
- liquidity risk; and
- reputational risk (insofar as it relates to the investments that the Company enters into).

The Investment Committee is primarily responsible for dealing with issues arising from investment risk and has delegated day-to-day management of the portfolios to an experienced investment team provided by AICS. All decisions of the team are reviewed, discussed and where necessary, ratified by the Committee. By its nature as a listed investment company, the Company will always carry investment risk because it must invest its capital in securities which are not risk free. However, the Company seeks to reduce this investment risk by a policy of diversification of investments across industries and companies operating in various sectors of the market.

Operational Risk

The Company's management is primarily responsible for recognising and managing operational risk issues such as legal and regulatory risk, systems and process risk, human resource risk, reputational risk (insofar as it relates to the operations of the Company), disaster recovery and occupational health and safety risk. This is in the context that most of AMCIL's administrative functions have been outsourced to AICS using its systems and staff. Accordingly, risk issues associated with these activities are handled in accordance with the policies and procedures adopted by AICS for dealing with them. The Audit Committee has specific oversight of management's role in identifying and responding to risk issues.

The Company has received a report from AICS outlining the control objectives for AICS and the specific policies and procedures established to meet these procedures. These policies include management oversight, segregation of duties, multiple sign-offs and specific authorisation levels. AICS has stated that these have been in place throughout the period, and have been effective in meeting the control objectives. This statement and verification have been confirmed by AICS's internal auditors, Ernst & Young, under the requirements of Auditing Standard 810. In addition, the Chairman of AMCIL's Audit Committee is invited to attend meetings of the AICS Risk Management, Audit and Remuneration Committee and receives copies of all papers.

Written Affirmations

The Board has received from the Managing Director and the Chief Financial Officer written affirmation that, to the best of their knowledge and belief, the integrity of the financial statements is founded on a sound system of risk management and internal compliance and control, which implements the policies adopted by the Board and that the Company's risk management and internal compliance and control system are operating efficiently and effectively in all material respects insofar as they relate to the financial reporting risks.

The Audit Committee and the Board have also received reports from the Senior Executives as to the effectiveness of Company's management of its material business risks, whilst noting that the Company, as a listed investment company, actively takes on appropriate levels of risk as part of its investment activities.

The Board believes that the Company is fully compliant with Principle 7 and its recommendations.

Principle 8: Remunerating Fairly and Responsibly

Compliance with this Principle requires that the level and composition of remuneration be sufficient and reasonable and that its relationship to corporate and individual performance be defined.

The Board does not have a separate Remuneration Committee. The Board deals with matters relating to the remuneration of Directors itself and a separate Remuneration Committee is not regarded as necessary. The Company has no employees as AMCIL's administrative functions have been outsourced to AICS using its systems and staff. The Senior Executives of the Company are paid directly by AICS, their employer.

The constitution of AMCIL requires approval by the shareholders in general meeting of a maximum amount of remuneration to be allocated between Non-Executive Directors as they determine. In proposing the maximum amount for consideration in general meeting, and in determining the allocation, the Board takes account of the time demands made on Directors together with such factors as the general level of fees paid to Australian corporate directors.

Non-Executive Directors do not receive any performance-based remuneration.

RE Barker serves as Managing Director of AMCIL pursuant to an agreement with AICS. The cost relating to the provision of Mr Barker as Managing Director of the Company by AICS is covered by the general management fee charged by AICS.

As part of their remuneration arrangements with AICS, the Managing Director, Senior Executives and investment team receive an 'at risk' component determined by AICS which is based on performance. The performance criteria include quantitative and qualitative assessments which include, among other things, the services that they have provided to AMCIL and for which AICS is paid.

Further information on Directors' remuneration is set out in the Remuneration Report on pages 10 to 12.

The Board believes that the Company is fully compliant with Principle 8 but that, for the reasons given above, it is not appropriate for the Company to follow the recommendation that a separate Remuneration Committee be established. In addition, as the Company does not have any equity-based remuneration schemes, there is no need to have a policy around prohibiting the hedging of risk over unvested entitlements in such schemes.

FINANCIAL REPORT

INCOME STATEMENT

For the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
Dividends and distributions		6,946	6,961
Revenue from deposits and bank bills		758	361
Other revenue		10	11
Total revenue		7,714	7,333
Net gains on trading portfolio		142	651
Income from options written portfolio	11	-	48
Income from operating activities		7,856	8,032
Finance costs		(73)	(73)
Administration expenses		(1,369)	(1,380)
Operating result before income tax expense	4	6,414	6,579
Income tax expense*	5	(135)	(71)
Net operating result for the year		6,279	6,508
Net gains on investments			
Net gains on puttable instruments		-	1,537
Tax on net gains on puttable instruments*	5	-	(461)
		-	1,076
Profit for the year		6,279	7,584
		Cents	Cents
Basic earnings per share	20	2.81	3.63
		2014 \$'000	2013 \$'000
* Total tax expense	5	135	532

This Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2014

	Year to 30 June 2014			Year to 30 June 2013		
	Revenue \$'000	Capital \$'000	Total \$'000	Revenue \$'000	Capital \$'000	Total \$'000
Profit for the Year	6,279	-	6,279	6,508	1,076	7,584
Other comprehensive income						
Unrealised gains for the period on securities in the portfolio at 30 June	-	19,746	19,746	-	22,702	22,702
Deferred tax expense on above	-	(5,934)	(5,934)	-	(7,020)	(7,020)
Realised gains for the period on securities	-	6,407	6,407	-	7,525	7,525
Tax expense on above	-	(1,925)	(1,925)	-	(2,327)	(2,327)
Total other comprehensive income^{1,3}	-	18,294	18,294	-	20,880	20,880
Total comprehensive income²	6,279	18,294	24,573	6,508	21,956	28,464

1. These are the net capital gains/(losses) not recorded through the Income Statement. Capital includes the unrealised gains or losses on open options positions.

2. This is the Company's net return for the year, which includes the net operating result plus the net realised and unrealised gains or losses on the Company's investment portfolio and net gains or losses on open options positions.

3. Total tax movement in other comprehensive income – 2014: \$(7.9) million, 2013: \$(9.3) million.

Note that none of the items included in other comprehensive income will be recycled through the Income Statement.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET

As at 30 June 2014

	Note	2014 \$'000	2013 \$'000
Current assets			
Cash	6	20,014	19,419
Receivables	7	1,055	2,887
Total current assets		21,069	22,306
Non-current assets			
Investment portfolio	8	200,159	172,104
Deferred tax assets	9	57	121
Total non-current assets		200,216	172,225
Total assets		221,285	194,531
Current liabilities			
Payables	10	359	520
Tax payable		4,424	5,278
Total current liabilities		4,783	5,798
Non-current liabilities			
Deferred tax liabilities – investment portfolio	12	14,770	11,068
Total non-current liabilities		14,770	11,068
Total liabilities		19,553	16,866
Net assets		201,732	177,665
Shareholders' equity			
Share capital	13	145,598	129,377
Revaluation reserve	15	28,296	21,446
Realised capital gains reserve	16	12,810	13,430
Retained profits	17	15,028	13,412
Total shareholders' equity		201,732	177,665

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

Year Ended 30 June 2014	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		129,377	21,446	13,430	13,412	177,665
Dividends paid	19	-	-	(10,454)	(6,273)	(16,727)
Shares issued						
– Dividend Reinvestment Plan	13	6,162	-	-	-	6,162
– Share Purchase Plan	13	10,119	-	-	-	10,119
Costs of shares issued	13	(60)	-	-	-	(60)
Total transactions with shareholders		16,221	-	(10,454)	(6,273)	(506)
Profit for the year		-	-	-	6,279	6,279
Other comprehensive income (net of tax)						
Net unrealised gains for the period for stocks held at 30 June		-	13,812	-	-	13,812
Net gains for the period on securities realised		-	4,482	-	-	4,482
Transfer to retained profits of cumulative gains on investments realised		-	(1,610)	-	1,610	-
Transfer to realised capital gains Reserve of cumulative taxable gains on investments realised		-	(9,834)	9,834	-	-
Other comprehensive income for the year		-	6,850	9,834	1,610	18,294
Total equity at the end of the year		145,598	28,296	12,810	15,028	201,732

2013 comparatives

Year Ended 30 June 2013	Note	Share Capital \$'000	Revaluation Reserve \$'000	Realised Capital Gains Reserve \$'000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the year		129,377	16,209	-	8,842	154,428
Dividends paid	19	-	-	-	(5,227)	(5,227)
Total transactions with shareholders		-	-	-	(5,227)	(5,227)
Profit for the year		-	1,076	-	6,508	7,584
Other comprehensive income (net of tax)						
Net unrealised gains for the period for stocks held at 30 June		-	15,682	-	-	15,682
Net gains for the period on securities realised		-	5,198	-	-	5,198
Transfer to retained profits of cumulative gains on investments realised		-	(3,289)	-	3,289	-
Transfer to realised capital gains reserve of cumulative taxable gains on investments realised (after brought forward losses utilised)		-	(13,430)	13,430	-	-
Other comprehensive income for the year		-	4,161	13,430	3,289	20,880
Total equity at the end of the year		129,377	21,446	13,430	13,412	177,665

This Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

For the year ended 30 June 2014

	Note	2014 \$'000 Inflows/ (Outflows)	2013 \$'000 Inflows/ (Outflows)
Cash flows from operating activities			
Sales from trading portfolio		2,098	4,974
Purchases for trading portfolio		(1,418)	(994)
Interest received		751	338
Proceeds from entering into options in options written portfolio		-	48
Dividends and distributions received		6,130	6,175
		7,561	10,541
Other receipts		10	11
Administration expenses		(1,529)	(1,388)
Finance costs paid		(66)	(65)
Income tax credits received/(expense paid)		(72)	138
Net cash inflow/(outflow) from operating activities	24	5,904	9,237
Cash flows from investing activities			
Sales from investment portfolio		55,452	64,973
Purchases for investment portfolio		(55,245)	(56,391)
Capital gains taxes paid		(5,011)	-
Net cash inflow/(outflow) from investing activities		(4,804)	8,582
Cash flows from financing activities			
Proceeds from borrowing		-	100
Repayment of borrowing		-	(100)
Shares issued		16,282	-
Share issue costs		(60)	-
Dividends paid		(16,727)	(5,227)
Net cash inflow/(outflow) from financing activities		(505)	(5,227)
Net increase/(decrease) in cash held		595	12,592
Cash at the beginning of the year		19,419	6,827
Cash at the end of the year	6	20,014	19,419

This Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

This general purpose Financial Report has been prepared in accordance with Australian Accounting Standards, interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. This Financial Report has been authorised for issue as per the Directors' Declaration and is presented in the Australian currency. The Company has the power to amend and reissue the Financial Report. The Company has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market value	Fair value for actively traded securities
Cash	Cash and cash equivalents
Share capital	Contributed equity
Hybrids	Equity instruments that are not ordinary securities
Options	Derivatives written over equity instruments that are valued at fair value through profit or loss

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes of the Company comply with International Financial Reporting Standards (IFRS). The Company is a 'for profit' entity.

The Company has not applied any Australian Accounting Standards or AASB interpretations that have been issued as at balance date but are not yet operative for the year ended 30 June 2014 ('the inoperative standards') except for AASB 9 which was adopted on 7 December 2009. The impact of the inoperative standards has been assessed and the impact has been identified as not being material. The Company only intends to adopt inoperative standards at the date at which their adoption becomes mandatory.

(a) Basis of Accounting

The financial statements are prepared using the valuation methods described below for holdings of securities, including options. All other items have been treated in accordance with the historical cost convention.

(b) Holdings of Securities

(i) Balance Sheet Classification

The Company has three discrete portfolios of securities, the investment portfolio, the options written portfolio and the trading portfolio. The purchase and the sale of securities are accounted for at the date of trade.

The investment portfolio relates to holdings of securities which the Directors intend to retain on a long term basis.

The options written portfolio contains exchange traded options contracts that are entered into as described in Note 11.

Securities within the investment portfolio (with the exception of puttable instruments) are classified as 'financial assets measured at fair value through other comprehensive income', and are designated as such upon initial recognition, whereas puttable instruments and securities held within the trading portfolio are classified as 'mandatorily measured at fair value through profit or loss in accordance with AASB 9'.

The designation of securities within the investment portfolio as 'financial assets measured at fair value through other comprehensive income' is consistent with the Directors' view of these assets as being held for the long term for both capital growth and for the provision to the Company of dividends and distribution income rather than to make a profit from the sale of such securities, which is the purpose of securities held within the trading portfolio. Puttable instruments are required to be classified at 'fair value through profit or loss' although the Directors also view these assets as being held for the long term for both capital growth and for the provision to the Company of distribution income and their being managed as part of the investment portfolio.

NOTES TO THE FINANCIAL STATEMENTS continued

(ii) Valuation of Investment Portfolio

Securities, including listed and unlisted shares and hybrids, are initially brought to account at market value, which is the cost of acquisition, and are revalued to market values continuously or fair value using a variety of relevant methodologies if there is no active market. Increments and decrements on equity instruments are recognised as other comprehensive income and taken to the revaluation reserve.

Where disposal of an investment occurs any revaluation increment or decrement relating to it is transferred from the revaluation reserve to retained profits or, once the brought-forward losses have been utilised, to the realised capital gains reserve.

Gains and losses on puttable instruments are recognised in profit or loss. However, they are subsequently transferred from retained earnings to the revaluation reserve.

(iii) Valuation of Trading Portfolio

Securities, including listed and unlisted shares and options, are initially brought to account at market value, which is the cost of acquisition, or proceeds in the case of options written, and are revalued to market values continuously.

Increments and decrements on the value of securities in the trading portfolio are taken to profit or loss through the Income Statement.

(iv) Valuation of Options Written Portfolio

Options written are initially brought to account at the amount received upfront for entering into the contract (the premium) and subsequently revalued to current market value.

(v) Income from Holdings of Securities

Distributions relating to listed securities are recognised as income when those securities are quoted in the market on an ex-distribution basis and distributions relating to unlisted securities are recognised as income when received, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the relevant portion is treated as proceeds from a sale. If the distributions are capital returns on ordinary shares the amount of the distribution is treated as an adjustment to the carrying value of the shares.

The gain or loss on options written is not recognised as a realised gain/loss until the option expires, is exercised or is closed out. All unrealised gains or losses which represent movements in the market value of the options are recognised through the Income Statement.

(c) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income adjusted by any unused tax losses and changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities (excluding those related to the unrealised gains or losses in the investment portfolio) are offset as all current and deferred taxes relate to the Australian Taxation Office and can legally be settled on a net basis.

A tax provision is made for the unrealised gain or loss on securities valued at fair value through the Income Statement – i.e. the trading portfolio, puttable instruments and the options written portfolio.

A provision has to be made for any taxes that could arise on disposal of securities in the investment portfolio, even though there is no intention to dispose of them. Where the Company disposes of such securities, tax is calculated according to the particular parcels allocated to the sale for tax purposes offset against any capital losses carried forward.

(d) Cash Flows

For the purpose of the Cash Flow Statement, 'cash' includes cash and deposits held at call.

(e) Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents, and non-interest bearing monetary financial assets and liabilities of the Company approximates their carrying value.

The fair value for assets that are actively traded on-market is defined by AIFRS as 'last bid price'.

(f) Directors' Retirement Allowances

The Company recognises as 'amounts payable' Directors' retirement allowances that have been crystallised as at 31 December 2003. No further amounts have been, or will be, expensed as retirement allowances.

(g) Rounding of Amounts

The Company is of the kind referred to in Class Order 98/0100, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Financial Report. Amounts in the Financial Report have been rounded off in accordance with that Class Order, to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(h) Split Between Revenue and Capital in Other Comprehensive Income

'Capital' relates to realised or unrealised gains (and the tax thereon) on securities within the investment portfolio and excludes income in the form of distributions and dividends which are recorded as 'revenue'. All other items, including expenses, are recorded as net operating result, which is equivalent to 'revenue'.

(i) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The Board, through its sub-committees, has been identified as the chief operating decision-maker, as it is responsible for allocating resources and assessing performance of the operating segments.

2. Critical Accounting Estimates and Judgements

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgement in the process of applying the Company's accounting policies.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB112 *Income Taxes* deferred tax liabilities have been recognised for capital gains tax (CGT) on the unrealised gain in the investment portfolio at current tax rates.

As the Directors do not intend to dispose of the portfolio, this tax liability may not be crystallised at the amount disclosed in Note 12. In addition, the tax liability that arises on disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains at the time of disposal.

Apart from this, there are no key assumptions or sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

3. Financial Reporting by Segments

(a) Description of Segments

The Board makes the strategic resource allocations for the Company. The Company has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for the Company's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

The Company invests in equity securities and other instruments to provide shareholders with attractive investment returns through access to a steady stream of fully franked dividends and enhancement of capital invested.

(b) Segment Information Provided to the Board

The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards, except that net assets are reviewed both before and after the effects of capital gains tax on investments (as reported in the Company's net tangible asset announcements to the ASX).

NOTES TO THE FINANCIAL STATEMENTS continued

The Board considers the Company's net operating result after tax to be a key measure of the Company's performance. This amount excludes the impact of unrealised gains/losses on options and any gains or losses on the Company's investment portfolio and reconciles to the Company's profit before tax as follows:

	2014 \$'000	2013 \$'000
Operating result after income tax	6,279	6,508
Add back income tax expense	135	71
Net gains on puttable instruments	-	1,537
Profit for the year before tax	6,414	8,116

In addition, the Investment Committee regularly reviews the net asset value per share both before and after provision for deferred tax on the unrealised gains in the Company's long term investment portfolio. Deferred tax is calculated as set out in Notes 1(c) and 2. The relevant amounts as at 30 June 2014 and 30 June 2013 were as follows:

	2014 Cents	2013 Cents
Net tangible asset backing per share		
Before tax	95	90
After tax	88	85

(c) Other Segment Information

(i) Segment Revenue

Revenues from external parties are derived from the receipt of dividend, distribution and interest income, and income arising on the trading portfolio and realised income from the options portfolio.

The Company is domiciled in Australia and all of the Company's income is derived from Australian entities or entities that maintain a listing in Australia. The Company has a diversified portfolio of investments, with no investments comprising more than 10 per cent of the Company's income, including income from trading and realised income from the options written portfolio – (2013: Commonwealth Bank (11.2 per cent) and ANZ Bank (10.3 per cent)).

4. Operating Result Before Income Tax Expense

	2014 \$'000	2013 \$'000
Dividends and distributions		
– securities held in investment portfolio	6,946	6,824
– securities held in trading portfolio	-	137
	6,946	6,961
Interest income		
– income from cash investments	758	361
	758	361
Net gains/(losses) and write downs		
– net realised gains/(losses) from trading portfolio	142	651
– realised gains/(losses) on options written portfolio	-	48
– unrealised losses from trading portfolio	-	-
	142	699
Other income	10	11
Income from operating activities	7,856	8,032
Finance costs	(73)	(73)
Administration fees paid to AICS	(717)	(717)
Other administration expenses	(652)	(663)
Operating result before income tax expense	6,414	6,579

Further information relating to remuneration of auditors is set out in Note 23, Directors and Executives in Note 21.

5. Tax Expense

	2014 \$'000	2013 \$'000
(a) Reconciliation of Income Tax Expense to Prima Facie Tax Payable		
Operating result before income tax expense	6,414	6,579
Tax at the Australian tax rate of 30 per cent (2013: 30 per cent)	1,924	1,974
Tax offset for franked dividends	(1,502)	(1,617)
Tax effect of sundry items not taxable in calculating taxable income	(76)	(9)
	346	348
Over provision in prior years	(211)	(277)
Income tax expense on operating result before net gains on investments	135	71
Net gains on investments	-	1,537
Tax at the Australian tax rate of 30 per cent (2013: 30 per cent)	-	461
Tax expense on net gains on investments	-	461
Total tax expense	135	532

(b) Tax Expense Composition

Charge for tax payable relating to the current year	282	261
Over provision in prior years	(211)	(277)
Tax on change in fair value of puttable instruments	-	461
Decrease in deferred tax assets	64	87
	135	532

(c) Amounts Recognised Directly through Other Comprehensive Income

Increase in deferred tax liabilities relating to capital gains tax on the movement in unrealised gains in the investment portfolio	7,859	9,347
	7,859	9,347

6. Current Assets – Cash

	2014 \$'000	2013 \$'000
Cash at bank and in hand	18	21
Fixed term deposits	19,996	19,398
	20,014	19,419

Cash holdings yielded an average floating interest rate of 3.4 per cent (2013: 4.2 per cent).

(a) Credit Risk Exposure

All cash investments not held in a transactional account are invested in short term deposits with Australia's big four commercial banks or their wholly-owned subsidiaries, all rated 'AA-' by S&P.

NOTES TO THE FINANCIAL STATEMENTS continued

(b) Standby Arrangements and Credit Facilities

The Company was party to agreements under which Commonwealth Bank of Australia had extended a cash advance facility.

	2014 \$'000	2013 \$'000
Commonwealth Bank of Australia – cash advance facility	10,000	10,000
Amount drawn down	-	-
Undrawn facilities	10,000	10,000

Repayment of facilities was done either through the use of cash received from distributions or the sale of securities, or by rolling existing facilities into new ones. Facilities where utilised would not usually be drawn down for more than three months.

7. Current Assets – Receivables

	2014 \$'000	2013 \$'000
Dividends and distributions receivable	997	1,081
Interest receivable/pre-paid	56	49
Sales from investment portfolio	-	1,748
Other receivables/pre-payments	2	9
	1,055	2,887

Receivables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

8. Non-current Assets – Investment Portfolio

	2014 \$'000	2013 \$'000
Equity instruments		
– shares/trust and stapled securities at market value	200,054	171,955
– unlisted securities at fair value	105	149
	200,159	172,104

For a detailed list of the fair value of the securities in the investment portfolio measured at fair value through other comprehensive income, see Note 26.

9. Deferred Tax Assets

The Company's net deferred tax assets (DTA) arise from temporary differences in the recognition of items for taxation and accounting purposes, as described in Note 1(c). The key components are:

	2014 \$'000	2013 \$'000
(a) Provisions and expenses charged to the accounting profit which are not yet tax deductible	107	152
(b) Interest and dividend income receivable which is not assessable for tax until receipt	(50)	(31)
	57	121
Movements:		
Opening asset balance at 1 July	121	208
Charged to Income Statement	(64)	(87)
	57	121

Any deferred tax asset arising from provisions and expenses charged but not yet tax deductible will be obtained when the relevant items become tax deductible, provided that the Company derives sufficient assessable income to enable the benefit from the deductions to be taken in that year and there are no intervening changes in tax legislation adversely affecting the Company's ability to claim the tax deduction.

The portion of deferred tax liability likely to be reversed within the next 12 months is \$43,000 (2013: \$31,000). This relates primarily to items described in item (b) above.

10. Current Liabilities – Payables

	2014 \$'000	2013 \$'000
Directors' retirement benefits	329	503
Other payables	30	17
	359	520

Payables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

Opening balance for Directors' retirement benefits	503	503
Paid during the year	(174)	-
	329	503

11. Options Written Portfolio

The Company enters into option contracts in the options written portfolio for the purpose of enhancing returns via the premiums that it earns from the writing of these contracts. It is separate from both the trading portfolio and the investment portfolio, and the options are held as 'liabilities measured at fair value through profit or loss'. Where the Company sells a call option it is obligated to deliver securities at an agreed price if the taker exercises the option. Whereas if the Company sells a put option it is obligated to buy the underlying shares at an agreed price if the taker exercises the option. Exchange Traded Options are valued at a theoretical price using observable market data which is obtained via an independent third-party data provider.

As at balance date, there were no call options outstanding (2013: \$nil potential exposure). There was no option income for the year (2013: \$nil).

The total option exposure position is determined daily. The Investment Committee meets regularly (normally fortnightly) to consider, review and approve the transactions of the Company and related matters. \$3.6 million of shares are lodged with ASX Clear Pty Ltd as collateral for sold option positions written by the Company (2013: \$2.9 million). These shares are lodged with ASX Clear under the terms of ASX Clear Pty Ltd which require participants in the Exchange Traded Option market to lodge collateral, and are recorded as part of the Company's investment and trading portfolios.

12. Deferred Tax Liabilities – Investment Portfolio

	2014 \$'000	2013 \$'000
Deferred tax liabilities on unrealised gains in the investment portfolio	14,770	11,068

Refer Note 2 for further detail on the nature of the deferred tax liabilities on the investment portfolio.

The deferred tax liability shown above was after the application of the unused losses available for set-off against any potential gains (see Note 2) in the comparative period.

	2014 \$'000	2013 \$'000
Opening balance at 1 July	11,068	6,311
Charged to profit for tax on puttable instruments	-	461
Tax on realised capital gains	(4,157)	(5,051)
Charged/(credited) to OCI for ordinary securities	7,859	9,347
	14,770	11,068

NOTES TO THE FINANCIAL STATEMENTS continued

13. Shareholders' Equity – Share Capital

Movements in share capital of the Company during the past two years were as follows:

Date	Details	Notes	Number of Shares '000	\$	Paid-up Capital \$'000
1/07/2012	Balance		209,088		129,377
30/06/2013	Balance		209,088		129,377
27/08/2013	Dividend Reinvestment Plan	ii	7,083	0.87	6,162
8/10/2013	Share Purchase Plan	iii	11,906	0.85	10,119
	Costs of issue		-		(60)
30/06/2014	Balance		228,077		145,598

There are no shares that have not been fully paid, all shares rank *pari passu* and have no par value.

- (i) The Company has an on-market Buy-Back Program which remains active. During the year ended 30 June 2014 no shares were bought back (2013: nil).
- (ii) During the year ended 30 June 2014, the Company reinstated its Dividend Reinvestment Plan (DRP). Pricing of the new DRP shares was based on the average selling price of shares traded on the Australian Securities Exchange in the five days from the day the shares begin trading on an ex-dividend basis, less any discount determined by the Directors.
- (iii) During the year ended 30 June 2014 the Company announced a Share Purchase Plan (SPP). The SPP issue price was set at the Dividend Reinvestment Plan price for the 2013 final and special dividend or a 5 per cent discount to the volume-weighted average price of AMCIL shares traded on the Australian Securities Exchange (ASX) over the five trading days up to, and including, the day on which the SPP offer was scheduled to close, whichever was the lower.

14. Capital Management

The Company's objectives in managing capital is to continue to provide shareholders with attractive investment returns through access to a steady stream of fully franked dividends and enhancement of capital invested, with goals of paying dividends which utilise the Company's available franking credits and providing attractive total returns over the medium to long term.

The Company recognises that its capital will fluctuate in accordance with market conditions, and may adjust the amount of dividends paid, issue new shares from time to time or buy-back its own shares or sell assets to reduce debt.

The Company's capital consists of its shareholders equity plus any net borrowings. The change in this capital is as noted in Notes 13, 15, 16 and 17.

15. Revaluation Reserve

	2014 \$'000	2013 \$'000
Opening balance at 1 July	21,446	16,209
Gains for the year on equity instruments in investment portfolio (net of tax)	18,294	20,880
Transfer from retained profits – net gain on puttable instruments	-	1,076
Transfer to retained profits for realised gains	(1,610)	(3,289)
Transfer to realised capital gains reserve	(9,834)	(13,430)
	28,296	21,446

This reserve is used to record increments and decrements on the revaluation of the investment portfolio as described in accounting policy Note 1(b)(ii).

16. Realised Capital Gains Reserve

	2014 \$'000	2013 \$'000
Opening balance at 1 July	13,430	-
Dividends paid	(10,454)	-
Cumulative taxable realised gains (net of tax)	9,834	13,430
	12,810	13,430

This reserve is used to record capital gains (or losses). Any dividends paid out of this reserve may be paid out as LIC capital gains, which enable some shareholders to claim a discount on their tax return.

17. Retained Profits

	2014 \$'000	2013 \$'000
Opening balance at 1 July	13,412	8,842
Dividends paid	(6,273)	(5,227)
Profit for the year	6,279	7,584
Transfer from revaluation reserve for realised gains	1,610	3,289
Transfer to revaluation reserve – fair value movement on puttable instruments	-	(1,076)
	15,028	13,412

This reserve relates to past profits.

18. Financial Instruments

(a) Financial Risk Management

Accounting Standards identify three types of risk associated with financial instruments (i.e. the Company's investments, receivables, payables and borrowings):

Credit Risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed as set out below with respect to cash, receivables, securities in the trading portfolio and securities in the investment portfolio respectively. None of these assets are overdue.

Cash and Cash Equivalents

All cash investments not held in a transactional account are invested in short term deposits with Australia's big four commercial banks or their wholly-owned subsidiaries. The credit risk exposure of the Company in relation to cash and deposits is the carrying amount and any accrued unpaid interest.

Receivables

Receivables are non-interest bearing and unsecured. Outstanding settlements are on the terms operating in the securities industry, which usually require settlement within three days of the date of a transaction.

The credit risk exposure of the Company in relation to receivables is the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS continued

Trading and Investment Portfolios

Credit risk exposures of the Company arise in relation to converting and convertible notes and other interest-bearing securities that are not equity securities (currently none in the portfolio) to the extent of their carrying values, in the event of a shortfall on winding-up of the issuing companies.

Credit risk exposure also arises in relation to options bought by the Company, if any, to the extent of their carrying value.

Liquidity Risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company monitors its cash flow requirements daily. Furthermore, the Investment Committee monitors the level of contingent payments on a (normally) fortnightly basis by reference to known sales and purchases of securities, dividends and distributions to be paid or received, put options that may require the Company to purchase securities and facilities that need to be repaid. The Company ensures that it has either cash or access to short term borrowing facilities sufficient to meet these contingent payments.

The Company currently has no borrowings, but even if it were to fully utilise its debt facilities, the relatively low level of gearing would ensure that covenant levels associated with facilities are very unlikely to be breached. In the unlikely event that a fall in the value of the stock market is such that a breach would appear possible, the Company would amend its cash flows through the sale of securities and the cessation of purchases to ensure that any short term debt is extinguished.

The Company's inward operating cash flows depend upon the level of distributions received. Should these drop by a material amount, the Company would amend its outward cash flows accordingly. As the Company's major cash outflows are the purchase of securities and dividends paid to shareholders, the level of both of these is manageable by the Board and management. Furthermore, the assets of the Company are largely in the form of readily tradeable securities which can be sold on-market if necessary. The current financial liabilities are shown in Notes 6 (b) and 10. The table below analyses the Company's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 6 Months \$'000	6-12 Months \$'000	Greater than 1 Year \$'000	Total Contractual Cash Flows \$'000	Carrying Amount \$'000
30 June 2014					
Non-derivatives					
Payables	359	-	-	359	359
	359	-	-	359	359
30 June 2013					
Non-derivatives					
Payables	520	-	-	520	520
	520	-	-	520	520

Market Risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

By its nature as a listed investment company that invests in tradeable securities, the Company can never be free of market risk as it invests its capital in securities which are not risk free – the market price of these securities will fluctuate.

A general fall in market prices of 5 per cent and 10 per cent, if spread equally over all assets in the investment portfolio, would lead to a reduction in the Company's other comprehensive income of \$7.0 million and \$14.0 million respectively, at a tax rate of 30 per cent (2013: \$6.0 million and \$12.0 million). The revaluation reserve at 30 June 2014 was \$28.3 million (2013: \$21.4 million). It would require a fall in the value of the investment portfolio of 20.2 per cent after tax to fully deplete this (2013: 17.8 per cent).

The Company seeks to reduce market risk at the investment portfolio level by ensuring that it is not, in the opinion of the Investment Committee, overly exposed to one company or one particular sector of the market. The relative weightings of the individual securities and the relevant market sectors are reviewed by the Investment Committee, normally fortnightly, and risk can be managed by reducing exposure where necessary. The Company does not have set parameters as to a minimum or maximum amount of the portfolio that can be invested in a single company or sector.

The Company's investment by sector is as below:

	2014 %	2013 %
Energy	14.00	15.16
Materials	12.66	15.29
Industrials	17.29	14.79
Consumer discretionary	2.58	2.89
Consumer staples	6.50	7.34
Banks	15.44	16.72
Other financials	10.11	8.98
Telecommunications	6.34	4.43
Other – healthcare, information technology, utilities	5.99	4.26
Cash	9.09	10.14

Securities representing over 5 per cent of the investment portfolio at 30 June 2014 were:

	2014 %
Oil Search	8.90
Commonwealth Bank	7.48
BHP Billiton	7.31
Westpac Bank	5.42

At 30 June 2013 securities representing over 5 per cent of the combined investment and trading portfolio were:

	2013 %
Oil Search	7.98
BHP Billiton	6.24
Brambles	5.78
National Australia Bank	5.46

No other security represents over 5 per cent of the Company's investment and trading portfolios.

NOTES TO THE FINANCIAL STATEMENTS continued

The Company is not currently materially exposed to interest rate risk as all its cash investments are short term for a fixed interest rate.

The Company is also not directly exposed to currency risk as all its investments are quoted in Australian dollars.

The writing of call options provides some protection against a fall in market prices as it generates income to partially compensate for a fall in capital values. Options are only written against securities that are held in the trading or investment portfolio.

(b) Fair Value Measurements

Accounting standards require the disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) 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) (level 2); and
- (c) inputs for the asset or liabilities that are not based on observable market data (unobservable inputs) (level 3).

30 June 2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through other comprehensive income				
Investment portfolio (equity)	200,054	105	-	200,159
Financial assets at fair value through profit or loss				
Trading portfolio	-	-	-	-
Investment portfolio (puttables)	-	-	-	-
Financial liabilities at fair value through profit or loss				
Options written	-	-	-	-
Total	200,054	105	-	200,159

30 June 2013	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through other comprehensive income				
Investment portfolio (equity)	171,955	149	-	172,104
Financial assets at fair value through profit or loss				
Trading portfolio	-	-	-	-
Investment portfolio (puttables)	-	-	-	-
Financial liabilities at fair value through profit or loss				
Options written	-	-	-	-
Total	171,955	149	-	172,104

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (e.g. over-the-counter derivatives or unlisted securities) is determined using valuation techniques. The Company uses a variety of valuation methods and makes assumptions that are based on-market conditions existing at the end of each reporting period. These instruments are included in level 2 and comprise call and put options written by the Company (when written) and the Company's investment in Hexima. In the circumstances where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are included in level 3 (currently none).

(c) Numerical Disclosures – Investment Portfolio

The fair value of each investment held at fair value through other comprehensive income (investment portfolio) is disclosed in Note 26.

Dividend and distribution income for the period on those investments held at period end was \$5.6 million (2013: \$5.0 million), and dividend and distribution income for those investments sold during the period was \$1.3 million (2013: \$1.7 million).

Certain securities within the investment portfolio were disposed of during the period, whether during the normal course of the Company's activities as a listed investment company or as the result of takeovers or acquisitions. The fair value of the investments sold during this period was \$53.0 million (2013: \$54.4 million). The cumulative gain on these disposals was \$11.4 million for the period after tax (2013: \$11.5 million), which has been transferred from the revaluation reserve to retained profits and realised gains (refer to Statement of Changes in Equity). No puttable instruments were also sold during the period (2013: \$12.3 million).

The Company has one class of investments in the investment portfolio – assets defined under AASB 9 as 'equity investments', the fair value of which is valued through other comprehensive income and at 30 June 2014 was \$200.2 million (30 June 2013 \$172.1 million).

19. Dividends

	2014 \$'000	2013 \$'000
(a) Dividends Paid During the Year		
Final dividend for the year ended 30 June 2013 of 3 cents fully franked at 30 per cent plus a special dividend of 5 cents, also fully franked, paid on 27 August 2013 (2013: 2.5 cents fully franked at 30 per cent paid on 28 August 2012).	16,727	5,227
	16,727	5,227
(b) Franking Credits		
Balance on the franking account after allowing for tax payable in respect of the current year's profits and the receipt of dividends recognised as receivables	6,825	7,679
Impact on the franking account of dividends declared but not recognised as a liability at the end of the financial year:	(6,354)	(7,169)
Net available	471	510
These franking account balances would allow the Company to frank additional dividend payments up to an amount of:	1,099	1,190
The Company's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from the trading and investment portfolios and the Company paying tax.		
(c) Dividends Declared After Balance Date		
Since the end of the year Directors have declared a final dividend of 2.5 cents and a special dividend of 4 cent per share, both fully franked at 30 per cent. The aggregate amount of the final dividend for the year to 30 June 2014 to be paid on 26 August 2014, but not recognised as a liability at the end of the financial year:	14,825	
(d) Listed Investment Company Capital Gain Account		
Balance of the listed investment company (LIC) capital gain account	10,313	11,788
This would equate to an attributable amount of:	14,733	16,840

Distributed LIC capital gains may entitle certain shareholders to a special deduction in their taxation return, as set out in the dividend statement. LIC capital gains available for distribution are dependent upon the disposal of investment portfolio holdings which qualify for LIC capital gains or the receipt of LIC distributions from LIC securities held in the portfolios. \$9.1 million of the capital gain (\$13.0 million of the attributable amount) will be paid out as a special dividend on 26 August 2014.

NOTES TO THE FINANCIAL STATEMENTS continued

20. Earnings Per Share

	2014	2013
Basic earnings per share	Number	Number
Weighted average number of ordinary shares used as the denominator	223,689,722	209,088,358
	\$'000	\$'000
Profit for the year	6,279	7,584
	Cents	Cents
Basic earnings per share	2.81	3.63
Basic net operating result per share	\$'000	\$'000
Net operating result	6,279	6,508
	Cents	Cents
Basic net operating result per share	2.81	3.11

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted earnings per share is the same as basic earnings per share. This similarly applies to diluted net operating result before net gains on investment and options written portfolios per share.

21. Directors and Executives

The Remuneration for the Directors was as follows:

	Short Term Benefits \$	Post Employment Benefits \$	Total \$
2014			
Directors	297,411	38,229	335,640
2013			
Directors	361,836	23,164	385,000

Shareholdings

At balance date, shares issued by the Company and held directly, indirectly or beneficially by Non-Executive Directors and Executives of the Company, or by entities to which they were related were:

	Opening Balance	Net Changes	Closing Balance
2014			
BB Teele	34,111,245	2,933,049	37,044,294
RE Barker	4,413,504	165,763	4,579,267
PC Barnett	573,789	17,648	591,437
RG Brown	n/a	-	0
TA Campbell	4,895,811	-	n/a
RH Myer	636,155	76,145	712,300
RB Santamaria	245,008	40,177	285,185
SDM Wallis	2,240,677	-	n/a
RM Freeman	493,745	35,296	529,041
GN Driver	194,890	37,768	232,658
SM Pordage	1,467	1,186	2,653
AJB Porter	2,701	2,739	5,440

	Opening Balance	Net Changes	Closing Balance
2013			
BB Teele	34,400,833	(289,588)	34,111,245
RE Barker	4,408,504	5,000	4,413,504
PC Barnett	573,789	-	573,789
TA Campbell	4,895,811	-	4,895,811
RH Myer	636,155	-	636,155
RB Santamaria	245,008	-	245,008
SDM Wallis	2,240,677	-	2,240,677
RM Freeman	466,245	27,500	493,745
GN Driver	192,815	2,075	194,890
SM Pordage	-	1,467	1,467
AJB Porter	-	2,701	2,701

22. Related Parties

All transactions with deemed related parties were made on normal commercial terms and conditions and approved by independent Directors.

The day-to-day management of the Company's investments and its operation, including financial reporting and administration, have been delegated to Australian Investment Company Services Limited (AICS). Details of the amounts paid to AICS are disclosed in Note 4.

23. Remuneration of Auditors

	2014 \$	2013 \$
During the year the auditor earned the following remuneration:		
PricewaterhouseCoopers		
Audit or review of financial reports	82,804	81,180
Non-audit services		
Taxation compliance services	33,983	30,470
Total remuneration	116,787	111,650

The Company's Audit Committee oversees the relationship with the Company's external auditors. The Audit Committee reviews the scope of the audit and the proposed fee. It also reviews the cost and scope of other audit-related tax compliance services provided by the audit firm to ensure they do not compromise independence. Other non-audit services would not normally be provided by the external audit firm. However, if for special reasons such services were to be proposed, the Audit Committee would review the proposal to also ensure they did not affect the independence of the external audit function. The Company also conforms to legal requirements regarding audit partner rotation every five years.

NOTES TO THE FINANCIAL STATEMENTS continued

24. Reconciliation of Net Cash Flows from Operating Activities to Profit

	2014 \$'000	2013 \$'000
Profit for the year	6,279	7,584
– Net decrease in trading portfolio	-	2,655
– Net fair value movement for puttable instruments	-	(1,076)
– Dividends received as securities under DRP investments	(362)	(408)
– Decrease/(increase) in current receivables	1,832	(1,473)
– Less increase/(decrease) in receivables for investment portfolio	(1,748)	1,748
– Increase in deferred tax liabilities	3,766	4,844
– Less increase in deferred tax liability on investment portfolio	(3,702)	(4,757)
– Decrease in current payables	(161)	(7)
– Increase/(decrease) in provision for tax payable	(854)	5,178
– Less decrease/(increase) in tax payable on capital gains	854	(5,051)
Net cash flows from operating activities	5,904	9,237

25. Contingencies

At balance date Directors are not aware of any other material contingent liabilities or contingent assets other than those already disclosed elsewhere in the Financial Report.

26. Securities at Fair Value Through Other Comprehensive Income at 30 June 2014

The below lists those securities held in the investment portfolio that are valued at fair value through other comprehensive income. They do not include securities in the trading portfolio or puttable instruments in the investment portfolio (which are held at 'fair value through profit or loss') or the options written portfolio.

Individual holdings in the portfolio may change during the course of the year. In addition, holdings may be subject to call options or sale commitments by which they may be sold at a price significantly different from the market price prevailing at the time of the exercise or sale.

	2014 \$'000	2013 \$'000
Oil Search	17,814	13,742
Commonwealth Bank	14,963	8,499
BHP Billiton	14,629	10,744
Westpac	10,842	6,989
Santos	9,697	8,145
Transurban	9,336	6,659
National Australia Bank	8,195	9,396
Telstra	8,164	6,998
Brambles	7,995	9,945
Equity Trustees	6,704	3,347
QBE Insurance Group	5,757	7,992
AMP	5,717	5,860
Qube Logistics	5,700	-
Tox Free Solutions	4,732	8,366
Incitec Pivot	4,350	3,194
Tassal	4,343	4,413
CSL	4,126	2,463
Brickworks	3,964	2,095
SAI Global	3,833	-

	2014 \$'000	2013 \$'000
Computershare	3,787	3,081
Lifestyle Communities	3,531	-
iProperty Group	3,519	-
Coca-Cola Amatil	3,453	5,529
Treasury Wines	3,360	-
Wesfarmers	3,151	3,019
ALS	3,101	3,353
Senex	3,058	2,596
TPG Telecom	2,976	-
BigAir Group	2,822	1,487
James Hardie	2,768	1,108
ResMed	2,658	-
Japara Healthcare	2,526	-
AWE Limited	2,160	-
Transfield Services	1,790	-
Recall Holdings	1,577	-
ARB Corporation	1,530	1,759
Beacon Lighting	630	-
Emerchants Limited	544	-
Blue Energy	252	-
Hexima	105	149
ANZ	-	7,145
Amcor	-	4,627
Rio Tinto	-	4,451
Woodside Petroleum	-	3,606
Iluka Resources	-	2,797
REA Group	-	2,478
Ansell	-	2,468
iSelect	-	1,295
Bega Cheese	-	1,099
Tap Oil	-	940
Medusa Mining	-	270
Total	200,159	172,104

DIRECTORS' DECLARATION

In the Directors' opinion:

- (1) the financial statements and notes set out on pages 24 to 45 are in accordance with the *Corporations Act 2001* including:
 - (a) complying with the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) giving a true and fair view of the Company's financial position as at 30 June 2014 and of its performance for the financial year ended on that date; and
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 1 to the financial statements confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.

This declaration has been made after receiving the declarations required to be made to the Directors by the Managing Director and the Chief Financial Officer regarding the financial statements in accordance with Section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2014.

The declarations received were that, in the opinion of the Managing Director and the Chief Financial Officer to the best of their knowledge, the financial records of the Company have been properly maintained, that the financial statements comply with accounting standards and that they give a true and fair view.



Bruce Teele
Chairman

Melbourne
22 July 2014



Independent auditor's report to the members of AMCIL Limited

Report on the financial report

We have audited the accompanying financial report of AMCIL Limited (the company), which comprises the balance sheet as at 30 June 2014, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's opinion

In our opinion:

1. the financial report of AMCIL Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.
2. the financial report and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of AMCIL Limited for the year ended 30 June 2014 complies with section 300A of the *Corporations Act 2001*.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Charles Christie', written in a cursive style.

Charles Christie
Partner

Melbourne
22 July 2014

OTHER INFORMATION

INFORMATION ABOUT SHAREHOLDERS

At 15 July 2014 there were 2,337 holdings of shares. These holdings were distributed in the following categories:

Size of Holding	Holdings
1 to 1,000	365
1,001 to 5,000	276
5,001 to 10,000	166
10,001 to 100,000	1,099
100,000 and over	431
Total	2337

Percentage held by the 20 largest holders	39.73%
Average shareholding	97,593

There were 280 shareholdings of less than a marketable parcel of \$500 (506 shares).

Voting Rights of Ordinary Shares

The Constitution provides for votes to be cast:

- (i) on a show of hands, one vote for each shareholder; and
- (ii) on a poll, one vote for each fully paid ordinary share.

Major Shareholders

The 20 largest registered shareholders of the Company's ordinary shares as at 15 July 2014 are noted below:

Holder	Shares Held	%
Bruce Teele	37,044,294	16.24
Djerriwarrh Investments Limited	10,599,254	4.65
National Nominees Limited	8,251,116	3.62
Terrence Campbell	4,895,811	2.15
Christine Joy Campbell	4,886,300	2.14
Ross Barker	4,579,267	2.01
Fobsha Pty Limited	3,003,286	1.32
SDM Wallis	2,240,677	0.98
Ancona Valley Holdings Pty Ltd <Roswell Super Fund A/C>	1,980,707	0.87
Willpower Investments Pty Ltd <Woodlands Superfund A/C>	1,605,331	0.70
Invia Custodian Pty Limited <Matthew Dillon A/C>	1,589,358	0.70
RAC & JD Brice Superannuation Pty Ltd <Brice Super Fund A/C>	1,486,887	0.65
HSBC Custody Nominees (Australia) Limited	1,450,297	0.64
Baker Custodian Corporation	1,167,648	0.51
FFSF Asset Management Pty Ltd <FF Super Fund A/C>	1,059,581	0.46
Yelgarn Pty Ltd	1,001,728	0.44
Annieandjohnpaterson Foundation Ltd <Paterson Foundation A/C>	1,000,000	0.44
Gotalaz Pty Ltd <Clare Inv Sf No1 Fr Tax A/C>	1,000,000	0.44
Mr Richard Krohn + Mrs Gabrielle Krohn <Krohn Family S/F A/C>	896,836	0.39
Australian Executor Trustees Limited <No 1 Account>	882,222	0.39

SUBSTANTIAL SHAREHOLDERS

The Company has been notified of substantial shareholdings as follows:

Holder	Number of Shares	Date Notified
Bruce B Teele	32,848,688*	15/12/09

* Shareholding as per last substantial shareholding notification. Current shareholding reflected on page 49.

TRANSACTIONS IN SECURITIES

During the year ended 30 June 2014, the Company recorded 501 transactions in securities. \$290,502 in brokerage (including GST) was paid or accrued for the year.

HOLDINGS OF SECURITIES

As at 30 June 2014

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784).

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	350	350	3,101
AMP	AMP	Major Australasian financial services organisation	1,379	1,079	5,717
ARP	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	154	125	1,530
AWE	AWE	Oil and gas company with production development and exploration assets in Australia, New Zealand, United States and Indonesia	0	1,200	2,160
BGL	BigAir Group	Provider of wireless broadband solutions for business and university campus environments	2,479	3,101	2,822
BHP	BHP Billiton	International diversified resources company	343	408	14,629
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	165	290	3,964
BLX	Beacon Lighting Group	Australia's largest lighting and accessory retailer with integrated operations from design and sourcing, through to merchandising and retailing	0	608	630
BUL	Blue Energy	Developer of Coal Seam Gas, Natural Gas and Conventional Oil resources within eastern Australia	0	5,041	252
BXB	Brambles	Global provider of supply chain management and logistics solutions	1,065	870	7,995
CBA	Commonwealth Bank of Australia	Banking and wealth management services	123	185	14,963
CCL	Coca-Cola Amatil	Manufacturer and distributor of a range of carbonated soft drinks, fruit products and functional beverages, many of which are trademarks of The Coca-Cola Company	435	365	3,453
CPU	Computershare	Global leader in the provision of registry-related investor services to publicly listed companies, and other business process solutions	300	303	3,787
CSL	CSL	Biopharmaceutical company that researches, develops, manufactures and markets products to treat and prevent serious human medical conditions	40	62	4,126
EML	Emerchants	Issuer and processor of pre-paid financial cards, ranging from reloadable cards through to traditional, single-store gift cards. The Group is headquartered in Brisbane, and primarily targets corporate and government clients	0	850	544
EQT	Equity Trustees	Provider of private client, trustee, estate administration and funds management services	225	320	6,704
#	Hexima	Agricultural-biotech company engaged in the research and development of technology for the genetic modification of crops	875	875	105
IPL	Incitec Pivot	Manufacturer and supplier of nitrogen-based fertiliser and industrial explosives	1,117	1,500	4,350
IPP	iProperty Group	Operates internet-based real estate portals in Asian markets including Malaysia, Singapore, Hong Kong and Indonesia	0	1,150	3,519
JHC	Japara Healthcare	Provider of residential aged care services	0	1,075	2,526
JHX	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	118	200	2,768

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
LIC	Lifestyle Communities	Develops, owns and manages independent living communities for elderly citizens. The company operates eight villages across Victoria, encompassing a full range of community and lifestyle-orientated facilities onsite	0	2,200	3,531
NAB	National Australia Bank	Banking and wealth management services	317	250	8,195
OSH	Oil Search	Oil and gas explorer, developer and producer with assets predominantly in Papua New Guinea	1,778	1,842	17,814
QBE	QBE Insurance Group	General insurance and reinsurance services provider	530	530	5,757
QUB	Qube Holdings	Provider of import and export logistics services with national operations	0	2,500	5,700
REC	Recall Holdings	Global provider of both physical and electronic information management services for both large and small corporate clients. The company was demerged from Brambles in 2013	0	330	1,577
RMD	ResMed	Leading developer, manufacturer and distributor of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders	0	485	2,658
SAI	SAI Global	Provider of information services and systems for risk management, compliance and business improvement	0	750	3,833
STO	Santos	Leading Australian oil and gas producer, with a major position in the Cooper Basin and stakes in several key development projects, including Papua New Guinea and Gladstone LNG	650	680	9,697
SXY	Senex Energy	Oil and gas explorer and developer with assets in South Australia and Queensland	4,400	4,400	3,058
TCL	Transurban Group	Developer and operator of electronic toll roads in Australia and overseas	985	1,263	9,336
TGR	Tassal Group	Producer and exporter of Atlantic salmon from Tasmania	1,801	1,125	4,343
TLS	Telstra Corporation	Telecommunications operator and information services provider	1,467	1,567	8,164
TOX	Tox Free Solutions	Integrated waste management and environmental service business	2,425	1,400	4,732
TPM	TPG Telecom	Provider of a diverse range of communication services to residential users, small and medium enterprises, government and large corporate enterprises. The company owns and operates their own domestic network infrastructure and an international submarine cable connecting Australia and Guam	0	540	2,976
TSE	Transfield Services	Operations, maintenance and construction services business, operating globally in the resources, energy, industrial, infrastructure, property and defence sectors	0	1,650	1,790
TWE	Treasury Wine Estates	Wine company with over 50 brands produced in Australia, New Zealand, the United States and Italy and sold globally	0	671	3,360
WBC	Westpac Banking Corporation	Banking and wealth management services	242	320	10,842
WES	Wesfarmers	Conglomerate with retailing operations in supermarkets, department stores, home improvement and office supplies. The Group also operates businesses involved in coal mining, energy, insurance, chemicals, fertilisers, and industrial and safety products	76	75	3,151
Total					200,159

Unlisted security.

MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO

Acquisitions (Above \$2 Million)	Cost \$'000
Qube Holdings*	5,403
Commonwealth Bank of Australia	4,747
Treasury Wines Estates*	3,158
SAI Global*	3,052
National Australia Bank	2,839
ResMed*	2,806
Westpac Banking Corporation	2,732
TPG Telecom*	2,624
Lifestyle Communities*	2,547
BHP Billiton	2,481
Japara Healthcare*	2,238
Equity Trustees	2,040
Transfield Services*	2,020

Disposals (Above \$2 Million)	Proceeds \$'000
ANZ Banking Group#	8,446
Rio Tinto#	5,524
National Australia Bank	5,034
Amcor#	4,594
Woodside Petroleum#	3,994
REA Group#	3,647
Tox Free Solutions	3,337
Ansell#	2,979
Iluka Resources#	2,288
Tassal Group	2,266
Bega Cheese#	2,095

* New holdings.

Complete disposal from the portfolio.

SUB-UNDERWRITING

During the year the Company participated as a sub-underwriter of issues of securities. The principal underwriter and securities involved were:

Company	Underwritten By	Description	Amount Underwritten
Ingenia Communities Group	RBS Morgans Corporate Ltd & Petra Capital Pty Ltd	1 for 3 at non-renounceable entitlement issue @ \$0.365 per share	\$1,000,000

SHARE CAPITAL CHANGES

Date	Type	Price/ Amount
8 October 2013	Share Purchase Plan	\$0.85
27 August 2013	DRP	\$0.87
5 January 2011	Share Purchase Plan	\$0.64
27 August 2010	DRP	\$0.60
11 December 2009	Share Purchase Plan	\$0.64
27 August 2009	DRP	\$0.59
15 August 2008	DRP	\$0.62
27 August 2007	DRP	\$0.75
Various	Exercise of options	\$0.50
23 January 2004	Share issue	\$0.50
19 December 2003	Capital consolidation 1 for 16	
15 August 2003	Capital return	\$0.40
23 May 2003	Capital return	\$0.40
11 March 2003	Capital return	\$0.40
17 January 2003	Capital return	\$0.32
18 November 2002	Capital return	\$0.33
7 April 2000	1 for 5 rights issue	\$2.00
24 January 2000	Exercise of JBWere Option	\$2.00
10 September 1999	DRP	\$2.54
2 June 1999	1 for 3 rights issue	\$2.40
15 March 1999	DRP	\$2.38
16 September 1998	DRP	\$2.14
17 June 1998	1 for 2 rights issue	\$2.00
27 March 1998	DRP	\$2.17
12 September 1997	DRP	\$1.95
18 October 1996	Initial issue	\$2.00

COMPANY PARTICULARS

AMCIL Limited (AMCIL)
ABN 57 073 990 735

Directors

Bruce B Teele, Chairman
Ross E Barker, Managing Director
Peter C Barnett
Roger G Brown
Rupert Myer AM
Richard B Santamaria

Company Secretaries

Simon M Pordage
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office

Level 21, 101 Collins Street
Melbourne Victoria 3000

Mailing Address

Mail Box 146
101 Collins Street
Melbourne Victoria 3001

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Website www.amcil.com.au
Email invest@amcil.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone 1800 780 784 (toll free)

Share Registrar

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

Shareholder

Enquiry Line 1300 653 916
+61 3 9415 4224 (from overseas)
Facsimile +61 3 9473 2500
Website www.investorcentre.com/contact

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registrar as above.

Securities Exchange Code

AMH Ordinary shares

Annual General Meeting

Time 1.30pm
Date Wednesday 8 October 2014
Venue RACV City Club
Location 501 Bourke Street
Melbourne

Brisbane Shareholder Meeting

Time 1.00pm
Date Friday 10 October 2014
Venue Hilton Hotel
Location 190 Elizabeth Street
Brisbane

Adelaide Shareholder Meeting

Time 1.00pm
Date Monday 13 October 2014
Venue Adelaide Festival Centre
Location King William Road
Adelaide

Sydney Shareholder Meeting

Time 1.00pm
Date Monday 20 October 2014
Venue Four Seasons Hotel
Location 199 George Street
Sydney





AMCIL

A Focused Portfolio
of Australian Equities
Annual Review 2014

The Company aims to provide shareholders with:

- ▶ Attractive returns through strong capital growth in the portfolio over the medium to long term.
- ▶ The generation of fully franked dividend income.

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- 1 Year in Summary
- 2 Review of Operations and Activities
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- 20 Company Particulars
- 21 Shareholder Meetings

AMCIL manages a concentrated portfolio comprising 30 to 40 stocks covering large and small companies in the Australian equity market. As a result, small companies by market size can have an equally important impact on portfolio returns as larger companies in the Australian market.

The number of holdings in the portfolio will depend on-market conditions and investment opportunities. The selection of stocks in the portfolio is based on attractive valuations as well as the outlook for growth and the competitive structure of the industry.

YEAR IN SUMMARY

PROFIT FOR THE YEAR

\$6.3m

▼ Down 17.2% from 2013*

* 2013 figure included \$1.1 million of after tax gains from takeover of Hastings Diversified Utilities Fund.

NET OPERATING RESULT

\$6.3m

▼ Down 3.5% from 2013

FULLY FRANKED DIVIDEND

2.5¢ Final

4¢ Special

**6.5¢
Total**

▼ 8 cents total in 2013

TOTAL SHAREHOLDER RETURN

+22.7%

Share price plus dividends

MANAGEMENT EXPENSE RATIO

0.65%

0.77% in 2013

TOTAL PORTFOLIO

\$220.2m
Including cash

▲ \$191.5 million in 2013

TOTAL PORTFOLIO RETURN

+14.7%

S&P/ASX 200 Accumulation Index +17.4%

REVIEW OF OPERATIONS AND ACTIVITIES

Profit

Profit for the year was \$6.3 million, down on last year's result of \$7.6 million. Last year's figure included \$1.1 million after tax from the takeover of Hastings Diversified Utilities Fund.

The net operating result, which represents the income generated from the investment and trading portfolios, was also \$6.3 million, marginally down from \$6.5 million last year. The decline in this figure was as a result of a reduced contribution from the trading portfolio and options income which fell from \$0.7 million to \$0.1 million. This fall was partially offset by the increase in deposit income as a relatively high level of cash was held through the period.

Dividend

The Company's dividend policy is to maximise the distribution of available franking credits each year. Accordingly, AMCIL will pay a final dividend of 2.5 cents per share fully franked from operating earnings and a special dividend of 4 cents per share fully franked sourced from after tax realised gains. The total dividends for the year are 6.5 cents per share fully franked, compared with 8 cents last year.

Shareholders are reminded that as a result of this policy dividends are likely to fluctuate from year to year depending on income generated and any realised gains generated through portfolio activity.

Portfolio

AMCIL's portfolio delivered a return of 14.7 per cent over the year whereas the S&P/ASX 200 Accumulation Index return was 17.4 per cent. AMCIL's return is after expenses and a large tax component from significant realised gains this year of \$11.4 million after tax (the corresponding figure last year was \$16.7 million).

The most significant contributors to portfolio performance over the year were Oil Search, iProperty Group, Tassal Group, Commonwealth Bank, Equity Trustees, BHP Billiton and Westpac.

The 10 year return of the portfolio to 30 June 2014, which reflects AMCIL's medium to long term investment time frame, was 13.5 per cent per annum whereas the index return was 9 per cent per annum.

In considering the previous performance figures, AMCIL's return is after fees and tax paid. Given AMCIL's investment approach can generate a significant level of fully franked income, another way to consider the performance of the portfolio is to take into account the impact of franking credits on returns.

Figure 2 highlights the additional benefits franking credits can make to portfolio returns. This chart assumes an investor can fully utilise the distributed franking credits and these have been added to AMCIL's portfolio and index returns.

Figure 1: Portfolio return – per annum return to 30 June 2014

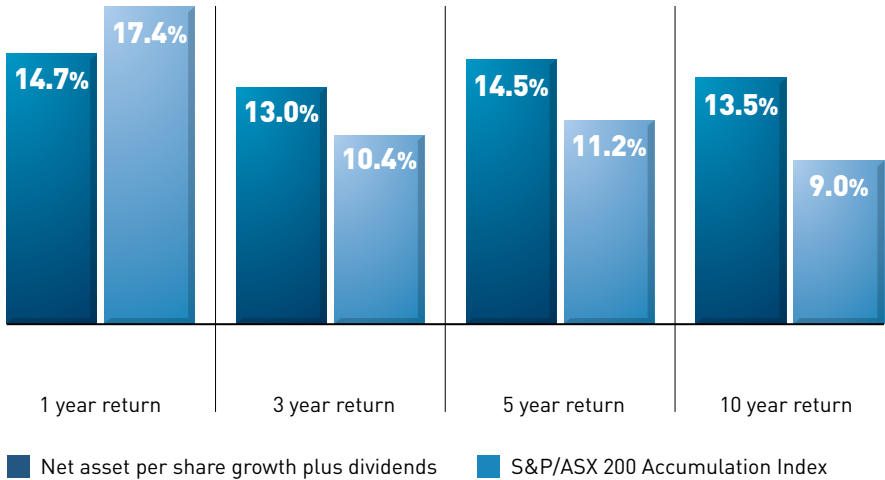
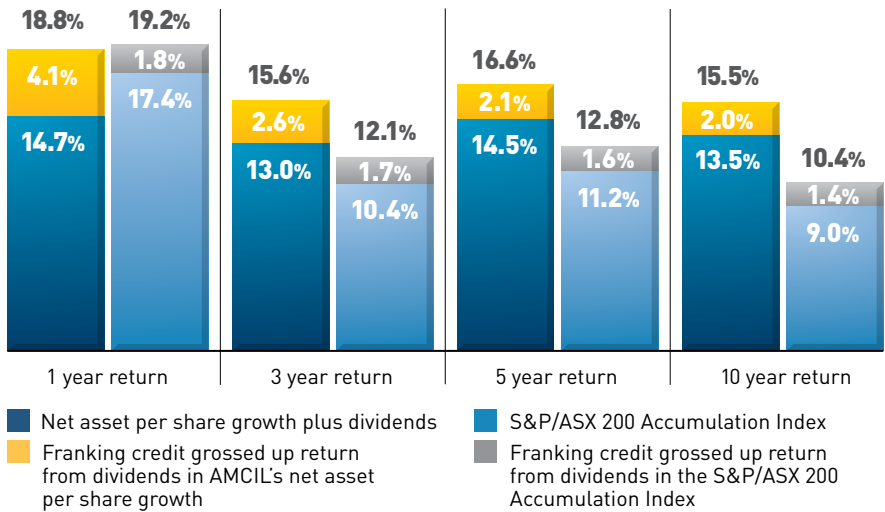


Figure 2: Portfolio performance including benefits of franking credits – per annum return to 30 June 2014



Note: AMCIL's net asset per share growth plus dividend series is calculated after management fees, income tax and capital gains tax on realised sales of investments. It should be noted that index returns for the market do not include management expenses and tax.



REVIEW OF OPERATIONS AND ACTIVITIES

continued

During the year the strong performance of some of the larger cap stocks in the portfolio meant the AMCIL portfolio had become more concentrated in these holdings. In general, AMCIL seeks to have a portfolio where small companies by market size can have as significant an impact on portfolio returns as larger companies in the Australian market. To this end a number of adjustments were made to the portfolio.

Sales included ANZ Banking Group, Rio Tinto, National Australia Bank, Amcor and Woodside Petroleum.

New companies added to the portfolio throughout the year included Qube Holdings, Treasury Wine Estates, SAI Global, ResMed, TPG Telecom, Lifestyle Communities, Japara Healthcare and Transfield Services.

AMCIL held a relatively high level of cash over the year reflecting our view that it is generally more challenging to find compelling value at these market levels. Selective opportunities have been available in smaller companies, including some IPOs such as Japara Healthcare and Beacon Lighting. We will continue to look at smaller companies where better value appears to be on offer.

Details of the larger purchases in new companies added to the portfolio (other than those already reported to shareholders in the Half-Year Shareholder Review) are as follows:

- **Japara Healthcare** is one of Australia's largest enterprises in the aged care and retirement industry. It owns and operates 35 aged care facilities and four retirement complexes throughout Victoria, South Australia, New South Wales and Tasmania.
- **Treasury Wine Estates** is an Australian-based global winemaking and distribution business. It is the world's largest pure-play listed wine company with over 80 brands, including Beringer Vineyards, Lindeman's, Penfolds, Rosemount Estate and Wolf Blass. The Group manages 11,000 hectares of vineyards and employs more than 3,500 staff across 16 countries.
- **Qube Holdings** is an integrated provider of import and export logistics services with national operations that provide a broad range of services. Qube operates across three divisions, covering Automotive, Bulk and General Stevedoring, Landside Logistics, and Strategic Development Assets.
- **SAI Global** provides organisations globally with information services and solutions for managing risk, achieving compliance and driving business improvement. SAI's business is supported by the increasing need to meet regulations, standards and legislation in all its locations. The company is currently subject to a takeover bid by Pacific Equity Partners and has reportedly also been approached by a number of other interested parties.

REVIEW OF OPERATIONS AND ACTIVITIES

continued

- **Transfield Services** provides operations and maintenance, asset management, project outsourcing and other services to the resources, industrial, infrastructure, utilities and property sectors. Transfield's clients include major national and international companies, as well as all levels of government.

Purchases in the investment portfolio totaled \$55.6 million for the year with total sales of \$53.0 million for the period.

Share Price

The share price performed well over the year as a result of the portfolio performance and the share price moving to a slight premium to net asset backing at year end. Figure 4 highlights how the share price has traded relative to the net asset backing over recent years.

Directorship Matters

Mr Roger Brown was appointed as a Non-Executive Director of the Company, on 19 February 2014.

Roger is currently the Executive Chairman of ARB Corporation Limited, a position he has held since 1987. He was also the Managing Director of the Company from

1987 to 2012. He has wide experience as a CEO and Director. Roger also brings significant expertise of manufacturing, distribution, retailing and research and design from ARB Corporation's involvement in the automotive industry in Australia and overseas.

Roger's educational qualifications include a Bachelor of Engineering and a Master of Business Administration.

We are delighted to welcome Roger to the Board and look forward to the contribution he will make to our deliberations.

As notified to shareholders in the Half-Year Review, Mr Terry Campbell AO and Mr Stan Wallis AC retired from the Board at the conclusion of the Annual General Meeting held on 9 October 2013.

Figure 3: Sector performance by market capitalisation

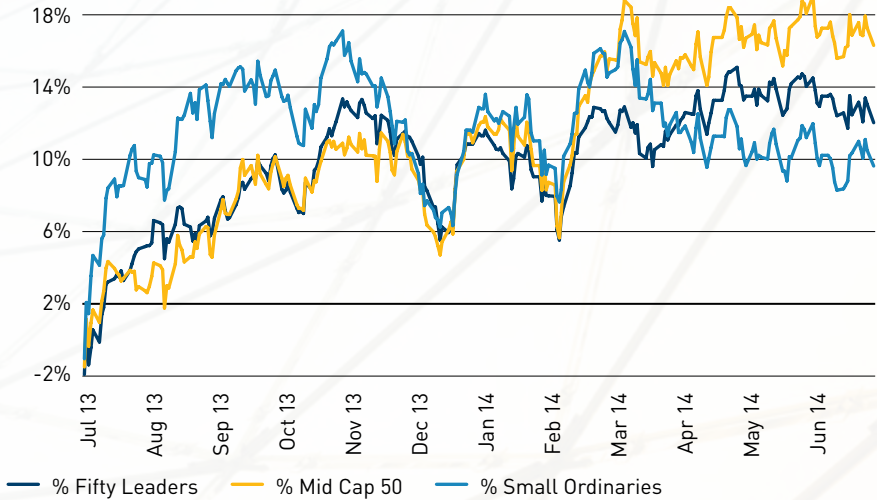
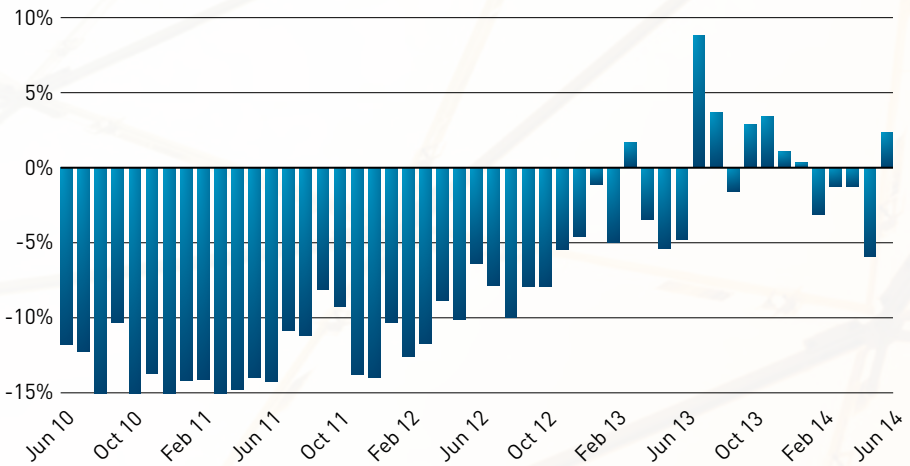


Figure 4: Share price premium/discount to net asset backing



TOP 20 INVESTMENTS

As at 30 June 2014

Includes investments held in both the investment and trading portfolios.

Valued at closing prices at 30 June 2014

	Total Value \$'000	% of Portfolio
1 Oil Search	17,814	8.9
2 Commonwealth Bank of Australia	14,963	7.5
3 BHP Billiton	14,629	7.3
4 Westpac Banking Corporation	10,842	5.4
5 Santos	9,697	4.8
6 Transurban Group	9,336	4.7
7 National Australia Bank	8,195	4.1
8 Telstra Corporation	8,164	4.1
9 Brambles	7,995	4.0
10 Equity Trustees	6,704	3.3
11 QBE Insurance Group	5,757	2.9
12 AMP	5,717	2.9
13 Qube Holdings	5,700	2.8
14 Tox Free Solutions	4,732	2.4
15 Incitec Pivot	4,350	2.2
16 Tassal Group	4,343	2.2
17 CSL	4,126	2.1
18 Brickworks	3,964	2.0
19 SAI Global	3,833	1.9
20 Computershare	3,787	1.9
Total	154,648	

As a percentage of total portfolio (excludes cash)

77.3%

Cash position at 30 June 2014 – \$20.0 million.

INCOME STATEMENT

For the year ended 30 June 2014

	2014 \$'000	2013 \$'000
Dividends and distributions	6,946	6,961
Revenue from deposits and bank bills	758	361
Net gains on trading portfolio	142	651
Realised gains from options written portfolio	-	48
Other revenue	10	11
Total income	7,856	8,032
Finance costs	(73)	(73)
Administration expenses	(1,369)	(1,380)
Operating result before income tax	6,414	6,579
Income tax expense	(135)	(71)
Net operating result	6,279	6,508
Net gains on 'puttable instruments'	-	1,537
Tax expense on above	-	(461)
	-	1,076
Profit for the year	6,279	7,584
	Cents	Cents
Net operating result per share	2.81	3.11
Profit for the year per share	2.81	3.63

BALANCE SHEET

As at 30 June 2014

	2014 \$'000	2013 \$'000
Current assets		
Cash	20,014	19,419
Receivables	1,055	2,887
Total current assets	21,069	22,306
Non-current assets		
Investment portfolio	200,159	172,104
Deferred tax assets	57	121
Total non-current assets	200,216	172,225
Total assets	221,285	194,531
Current liabilities		
Payables	359	520
Tax payable	4,424	5,278
Total current liabilities	4,783	5,798
Non-current liabilities		
Deferred tax liabilities – investment portfolio	14,770	11,068
Total non-current liabilities	14,770	11,068
Total liabilities	19,553	16,866
Net assets	201,732	177,665
Shareholders' equity		
Share capital	145,598	129,377
Revaluation reserve	28,296	21,446
Realised capital gains reserve	12,810	13,430
Retained profits	15,028	13,412
Total shareholders' equity	201,732	177,665

SUMMARISED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2014

	2014 \$'000	2013 \$'000
Total equity at the beginning of the year	177,665	154,428
Dividends paid	(16,727)	(5,227)
Shares issued		
– Dividend Reinvestment Plan	6,162	-
– Share Purchase Plan	10,119	-
Costs of Share Issues	(60)	-
Total transactions with shareholders	(506)	(5,227)
Profit for the year	6,279	7,584
Revaluation of investment portfolio	26,153	30,227
Provision for tax on revaluation	(7,859)	(9,347)
Revaluation of investment portfolio (after tax)	18,294	20,880
Total comprehensive income for the year	24,573	28,464
Realised gains on securities sold	15,601	21,770
Tax expense on realised gains on securities sold	(4,157)	(5,051)
Net realised gains on securities sold	11,444	16,719
Transfer from revaluation reserve to realised gains reserve	(9,834)	(13,430)
Transfer from revaluation reserve to retained profits	(1,610)	(3,289)
Total equity at the end of the year	201,732	177,665

A full set of AMCIL's accounts are available on the Company's website.

HOLDINGS OF SECURITIES

As at 30 June 2014

Details of the Company's portfolios are given below. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share (which is recorded each month on the toll free telephone service at 1800 780 784).

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
ALQ	ALS	Provider of analytical laboratory services to mining, life sciences, energy and industrial clients	350	350	3,101
AMP	AMP	Major Australasian financial services organisation	1,379	1,079	5,717
ARP	ARB Corporation	Manufacturer and distributor of four-wheel drive vehicle accessories in Australia and internationally	154	125	1,530
AWE	AWE	Oil and gas company with production development and exploration assets in Australia, New Zealand, United States and Indonesia	0	1,200	2,160
BGL	BigAir Group	Provider of wireless broadband solutions for business and university campus environments	2,479	3,101	2,822
BHP	BHP Billiton	International diversified resources company	343	408	14,629
BKW	Brickworks	Australia's largest manufacturer of bricks and pavers, with other investments in property development and listed equities	165	290	3,964
BLX	Beacon Lighting Group	Australia's largest lighting and accessory retailer with integrated operations from design and sourcing, through to merchandising and retailing	0	608	630
BUL	Blue Energy	Developer of Coal Seam Gas, Natural Gas and Conventional Oil resources within eastern Australia	0	5,041	252

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
BXB	Brambles	Global provider of supply chain management and logistics solutions	1,065	870	7,995
CBA	Commonwealth Bank of Australia	Banking and wealth management services	123	185	14,963
CCL	Coca-Cola Amatil	Manufacturer and distributor of a range of carbonated soft drinks, fruit products and functional beverages, many of which are trademarks of The Coca-Cola Company	435	365	3,453
CPU	Computershare	Global leader in the provision of registry-related investor services to publicly listed companies, and other business process solutions	300	303	3,787
CSL	CSL	Biopharmaceutical company that researches, develops, manufactures and markets products to treat and prevent serious human medical conditions	40	62	4,126
EML	Emerchants	Issuer and processor of pre-paid financial cards, ranging from reloadable cards through to traditional, single-store gift cards. The Group is headquartered in Brisbane, and primarily targets corporate and government clients	0	850	544
EQT	Equity Trustees	Provider of private client, trustee, estate administration and funds management services	225	320	6,704

HOLDINGS OF SECURITIES continued

As at 30 June 2014

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
#	Hexima	Agricultural-biotech company engaged in the research and development of technology for the genetic modification of crops	875	875	105
IPL	Incitec Pivot	Manufacturer and supplier of nitrogen-based fertiliser and industrial explosives	1,117	1,500	4,350
IPP	iProperty Group	Operator of internet-based real estate portals in Asian markets including Malaysia, Singapore, Hong Kong and Indonesia	0	1,150	3,519
JHC	Japara Healthcare	Provider of residential aged care services	0	1,075	2,526
JHX	James Hardie Industries	Building materials company focused on fibre cement products, predominantly in the United States	118	200	2,768
LIC	Lifestyle Communities	Developer, owner and manager of independent living communities for elderly citizens. The company operates eight villages across Victoria, encompassing a full range of community and lifestyle-orientated facilities onsite	0	2,200	3,531
NAB	National Australia Bank	Banking and wealth management services	317	250	8,195
OSH	Oil Search	Oil and gas explorer, developer and producer with assets predominantly in Papua New Guinea	1,778	1,842	17,814
QBE	QBE Insurance Group	General insurance and reinsurance services provider	530	530	5,757
QUB	Qube Holdings	Provider of import and export logistics services with national operations	0	2,500	5,700

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
REC	Recall Holdings	Global provider of both physical and electronic information management services for both large and small corporate clients. The company was demerged from Brambles in 2013	0	330	1,577
RMD	ResMed	Leading developer, manufacturer and distributor of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders	0	485	2,658
SAI	SAI Global	Provider of information services and systems for risk management, compliance and business improvement	0	750	3,833
STO	Santos	Leading Australian oil and gas producer, with a major position in the Cooper Basin and stakes in several key development projects, including Papua New Guinea and Gladstone LNG	650	680	9,697
SXY	Senex Energy	Oil and gas explorer and developer with assets in South Australia and Queensland	4,400	4,400	3,058
TCL	Transurban Group	Developer and operator of electronic toll roads in Australia and overseas	985	1,263	9,336
TGR	Tassal Group	Producer and exporter of Atlantic salmon from Tasmania	1,801	1,125	4,343
TLS	Telstra Corporation	Telecommunications operator and information services provider	1,467	1,567	8,164
TOX	Tox Free Solutions	Waste management and environmental service business	2,425	1,400	4,732

HOLDINGS OF SECURITIES continued

As at 30 June 2014

Code	Company	Principal Activities	Number Held 2013 '000	Number Held 2014 '000	Market Value 2014 \$'000
TPM	TPG Telecom	Provider of a diverse range of communication services to residential users, small and medium enterprises, government and large corporate enterprises. The company owns and operates their own domestic network infrastructure and an international submarine cable connecting Australia and Guam	0	540	2,976
TSE	Transfield Services	Operations, maintenance and construction services business, operating globally in the resources, energy, industrial, infrastructure, property and defence sectors	0	1,650	1,790
TWE	Treasury Wine Estates	Wine company with over 50 brands produced in Australia, New Zealand, the United States and Italy and sold globally	0	671	3,360
WBC	Westpac Banking Corporation	Banking and wealth management services	242	320	10,842
WES	Wesfarmers	Conglomerate with retailing operations in supermarkets, department stores, home improvement and office supplies. The Group also operates businesses involved in coal mining, energy, insurance, chemicals, fertilisers, and industrial and safety products	76	75	3,151
Total					200,159

Unlisted security.

MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO

Acquisitions (Above \$2 Million)	Cost \$'000
Qube Holdings*	5,403
Commonwealth Bank of Australia	4,747
Treasury Wine Estates*	3,158
SAI Global*	3,052
National Australia Bank	2,839
ResMed*	2,806
Westpac Banking Corporation	2,732
TPG Telecom*	2,624
Lifestyle Communities*	2,547
BHP Billiton	2,481
Japara Healthcare*	2,238
Equity Trustees	2,040
Transfield Services*	2,020

* New holdings.

MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO continued

Disposals (Above \$2 Million)	Proceeds \$'000
ANZ Banking Group [#]	8,446
Rio Tinto [#]	5,524
National Australia Bank	5,034
Amcor [#]	4,594
Woodside Petroleum [#]	3,994
REA Group [#]	3,647
Tox Free Solutions	3,337
Ansell [#]	2,979
Iluka Resources [#]	2,288
Tassal Group	2,266
Bega Cheese [#]	2,095

[#] Complete disposal from the portfolio.

5 YEAR SUMMARY

	2014	2013	2012	2011	2010
Profit after tax (\$ million)	6.28	7.58	8.92	8.37	7.00
Net operating result after tax (\$ million)	6.28	6.51	5.67	7.10	4.92
Investments at market value (\$ million) ^(a)	200.2	172.1	152.9	147.9	131.5
Net operating profit per share (cents)	2.81	3.11	2.71	3.50	2.62
Dividends per share (cents)	6.5 ^(b)	8	2.5	3.5	2
Net asset backing per share (cents) ^(c)	95	90	77	78	70
Number of shareholders (30 June)	2,329	2,257	2,190	2,246	2,473

Notes

(a) Excludes cash.

(b) Includes special dividend of 4 cents per share (5 cents in 2013). This was from taxable realised gains and is therefore equivalent to 5.7 cents attributable 'LIC capital gain' (7.1 cents in 2013).

(c) Net asset backing per share based on year-end data before the provision for the final (and special) dividend. The figures do not include a provision for capital gains tax that would apply if all securities held as non-current investments had been sold at balance date as directors do not intend to dispose of the portfolio.

COMPANY PARTICULARS

AMCIL Limited (AMCIL)
ABN 57 073 990 735

Directors

Bruce B Teele, Chairman
Ross E Barker, Managing Director
Peter C Barnett
Roger G Brown
Rupert Myer AM
Richard B Santamaria

Company Secretaries

Simon M Pordage
Andrew JB Porter

Auditor

PricewaterhouseCoopers
Chartered Accountants

Country of Incorporation

Australia

Registered Office

Level 21, 101 Collins Street
Melbourne Victoria 3000

Mailing Address

Mail Box 146
101 Collins Street
Melbourne Victoria 3001

Contact Details

Telephone (03) 9650 9911
Facsimile (03) 9650 9100
Website www.amcil.com.au
Email invest@amcil.com.au

For enquiries regarding net asset backing
(as advised each month to the Australian
Securities Exchange):

Telephone 1800 780 784 (toll free)

Share Registrar

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford Victoria 3067

Shareholder

Enquiry Line 1300 653 916
+61 3 9415 4224
(from overseas)

Facsimile +61 3 9473 2500

Website www.investorcentre.com/contact

For all enquiries relating to shareholdings,
dividends and related matters, please
contact the share registrar as above.

Securities Exchange Code

AMH Ordinary shares

SHAREHOLDER MEETINGS

Annual General Meeting

Time 1.30pm
Date Wednesday 8 October 2014
Venue RACV City Club
Location 501 Bourke Street
Melbourne

Brisbane Shareholder Meeting

Time 1.00pm
Date Friday 10 October 2014
Venue Hilton Hotel
Location 190 Elizabeth Street
Brisbane

Adelaide Shareholder Meeting

Time 1.00pm
Date Monday 13 October 2014
Venue Adelaide Festival Centre
Location King William Road
Adelaide

Sydney Shareholder Meeting

Time 1.00pm
Date Monday 20 October 2014
Venue Four Seasons Hotel
Location 199 George Street
Sydney

The Annual Report for 2014 is available on AMCIL's website www.amcil.com.au or by contacting the Company on (03) 9650 9911.





ABN 57 073 990 735

NOTICE OF ANNUAL GENERAL MEETING 2014

The Annual General Meeting of AMCIL Limited (the Company) will be held at:

RACV CITY CLUB, LEVEL 17, 501 BOURKE STREET, MELBOURNE, VICTORIA 3000

At 1.30pm (AEDT) on Wednesday 8 October 2014.

The Company has determined that, for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register **at 7.00pm (AEDT) on Monday 6 October 2014.**

BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS AND REPORTS

To consider the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2014.

(Please note that no resolution will be required to be passed on this matter).

2. ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass the following resolution (as an ordinary resolution):

"That the Remuneration Report for the financial year ended 30 June 2014 be adopted."

(Please note that the vote on this item is advisory only)

3. ELECTION OF DIRECTOR

To consider and, if thought fit, to pass the following resolution (as an ordinary resolution):

"That Mr Roger Brown, a Director appointed to the Board since the last Annual General Meeting retiring from office in accordance with Rule 45 of the Constitution, being eligible is elected as a Director of the Company."

4-5. RE-ELECTION OF DIRECTORS

To consider and, if thought fit, to pass the following resolutions (as ordinary resolutions):

"That Mr Bruce Teele, a Director retiring from office in accordance with Rule 46 of the Constitution, being eligible is re-elected as a Director of the Company."

"That Mr Richard (Bob) Santamaria, a Director retiring from office in accordance with Rule 46 of the Constitution, being eligible is re-elected as a Director of the Company."

By Order of the Board

A handwritten signature in black ink, appearing to read 'S. Pordage', written over a horizontal line.

Simon Pordage
Company Secretary
25 August 2014

EXPLANATORY NOTES

The Explanatory Notes below provide additional information regarding the items of business proposed for the Annual General Meeting.

1. FINANCIAL STATEMENTS AND REPORTS

During this item there will be an opportunity for shareholders to ask questions and comment on the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2014. No resolution will be required to be passed on this matter.

Shareholders who have not elected to receive a hard copy of the Company's 2014 Annual Report can view or download it from the Company's website at:

www.amcil.com.au/Shareholder-Reports.aspx

2. ADOPTION OF REMUNERATION REPORT

During this item there will be an opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report which commences on page 10 of the Company's 2014 Annual Report. The vote on the proposed resolution is advisory only.

Voting Exclusions on Item 2

Pursuant to section 250R(4) of the Corporations Act 2001, the Company is required to disregard any votes cast on item 2 (in any capacity) by or on behalf of either a member of the key management personnel, details of whose remuneration are included in the remuneration report; or a closely related party of such a member (together "prohibited persons").

However, the Company will not disregard a vote if:

- the prohibited person does so as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- the vote is not cast on behalf of a prohibited person.

Undirected Proxies on Item 2

If the Chairman of the meeting is appointed, or taken to be appointed, as a proxy, the shareholder can direct the Chairman of the meeting to vote for or against, or to abstain from voting on, the resolution on item 2 (Adoption of Remuneration Report) by marking the appropriate box opposite item 2 in the proxy form.

Pursuant to section 250R(5) of the Corporations Act 2001, if the Chairman of the meeting is a proxy and the relevant shareholder does not mark any of the boxes opposite item 2, the relevant shareholder will be expressly authorising the Chairman to exercise the proxy in relation to item 2.

The Chairman intends to exercise such proxies by voting them in favour of the adoption of the Remuneration Report.

3. ELECTION OF DIRECTOR

Mr RG Brown was appointed to the Board since the last AGM and so is required to stand for election at the 2014 AGM. His biographical details are set out below:

Roger Brown

B.Eng, MBA. Independent Non-Executive Director.

Mr Brown was appointed to the Board on 19 February 2014. He has been the Executive Chairman of ARB Corporation Limited since February 1987. Mr Brown also held the position of Managing Director of the company from 1987 to 2012.

He has wide experience as a CEO and Director and brings to the company a wealth of knowledge from ARB Corporation's involvement in the automotive industry in Australia and overseas.

4-5. RE-ELECTION OF DIRECTORS

Messrs BB Teele and RB Santamaria were last re-elected by shareholders at the 2011 AGM and so are required to stand for re-election at the 2014 AGM. Their biographical details are set out below:

Bruce Teele

BSc BCom (Melb). Chairman and Non-Executive Director. Chairman of the Investment Committee.

Mr Teele was appointed to the Board in 2003 and appointed Chairman in 2004. He is a Director of Djerriwarrh Investments Limited. He was formerly the Executive Chairman of the JBWere Group and Chairman of Australian Foundation Investment Company Limited.

Richard (Bob) Santamaria

BCom LLB (Hons) (Melb). Independent Non-Executive Director. Member of the Audit Committee and the Investment Committee.

Mr Santamaria was appointed a Director in August 1996. He is Group General Counsel and Company Secretary of Australia and New Zealand Banking Group Limited. He was formerly a Partner and Executive Partner Corporate at the law firm Allens Arthur Robinson (now Allens) and is a former Director of ANZ Trustees Limited.

Further information regarding the Company's corporate governance arrangements and the Board's role can be found in the Company's 2014 Annual Report and on the Company's website at:

www.amcil.com.au/Corporate-Governance.aspx and

www.amcil.com.au/Board-Role-and-Membership.aspx

SHAREHOLDER INFORMATION

IMPORTANT: Shareholders are urged to direct their proxy how to vote by clearly marking the relevant box for each item on the proxy form.

The Board recommends that shareholders vote in favour of each item of business.

The Chairman of the meeting intends to vote undirected proxies in favour of all items of business.

Proxies

1. A shareholder entitled to attend and vote at this meeting is entitled to appoint not more than two proxies (who need not be shareholders of the Company) to attend, vote and speak in the shareholder's place and to join in the demand for a poll.
2. Where a shareholder appoints more than one representative, proxy or attorney, those appointees are entitled to vote on a poll but not on a show of hands.
3. A shareholder who appoints two proxies may specify a proportion or number of the shareholder's votes each proxy is appointed to exercise. Where no such specification is made, each proxy may exercise half of the votes (any fractions of votes resulting from this are disregarded).
4. Proxy forms may be lodged online at www.investorvote.com.au or by scanning the QR Code on the proxy form with a mobile device.
5. Relevant custodians may lodge their proxy forms online at www.intermediaryonline.com
6. Proxy forms and any authorities (or certified copies of those authorities) under which they are signed may be delivered in person, by mail or by fax to the Company's Share Registry (see details below) no later than 48 hours before the meeting, being **1.30pm (AEDT) on Monday 6 October 2014**. More details are on the proxy form.
7. A proxy need not vote in that capacity on a show of hands on any resolution nor (unless the proxy is the Chairman of the meeting) on a poll. However, if the proxy's appointment specifies the way to vote on a resolution, and the proxy decides to vote in that capacity on that resolution, the proxy must vote the way specified (subject to the other provisions of this Notice, including the voting exclusions noted above).
8. If a proxy does not attend the meeting or does not vote on a poll on a resolution, then the Chairman of the meeting will be taken to have been appointed as the proxy of the relevant shareholder in respect of the meeting or the poll on that resolution, as applicable. If the Chairman of the meeting is appointed, or taken to be appointed, as a proxy, but the appointment does not specify the way to vote on a resolution, then the Chairman intends to exercise the relevant shareholder's votes in favour of the relevant resolution (subject to the other provisions of this Notice, including the voting exclusions noted above).

Notice of Annual General Meeting 2014

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, may appoint an individual to act as its representative at the meeting. Unless it has previously been given to the Company, the representative should bring evidence of their appointment to the meeting, together with any authority under which it is signed. The appointment must comply with section 250D of the Corporations Act 2001.

Attorneys

A shareholder may appoint an attorney to vote on their behalf. To be effective for the meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the deadline for the receipt of proxy forms (see above), being no later than 48 hours before the meeting.

Share Registry

The Company's Share Registry details are as follows:

Computershare Investor Services Pty Limited

Street address:
Yarra Falls
452 Johnston Street
Abbotsford VIC 3067

Postal address:
GPO Box 242
Melbourne VIC 3001

Telephone: 1300 653 916 (within Australia)
+61 3 9415 4224 (outside Australia)
Facsimile: 1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)
Internet: www.investorcentre.com/contact



ABN 57 073 990 735



000001
000
SAM
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your proxy:



Online:
www.investorvote.com.au



By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

In Person:

Computershare Investor Services Pty Limited
Yarra Falls, 452 Johnston Street
Abbotsford, Victoria

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online users only (Custodians)
www.intermediaryonline.com

For all enquiries call:

(within Australia) 1300 653 916
(outside Australia) +61 3 9415 4224

Proxy Form



Appoint your proxy and view the Annual Report online

Go to www.investorvote.com.au or scan the QR Code with your mobile device. Follow the instructions on the secure website to appoint your proxy.

Your access information that you will need to appoint your proxy online:

Control Number: 999999

SRN/HIN: I9999999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential. Please dispose of this form carefully if you appoint your proxy online.

For your proxy form to be effective it must be received by 1.30pm (AEDT) on Monday 6 October 2014

How to direct your proxy to vote

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of shares you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of shares for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of shares for each in Step 1 overleaf.

A proxy need not be a shareholder of the Company.

Lodgement of proxy form

This proxy form (and any authority under which it is signed or a certified copy of it) must be received at an address given above by 1.30pm (AEDT) on Monday 6 October 2014, being not later than 48 hours before the commencement of the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Signing instructions for postal forms

Individual: Where the holding is in one name, the shareholder or attorney must sign.

Joint Holding: Where the holding is in more than one name, all of the shareholders or attorneys should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the meeting

If a representative of a corporate shareholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the Company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO APPOINT YOUR PROXY,
or turn over to complete the form →**

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Shareholders sponsored by a broker (reference number commences with 'X') should advise their broker of any changes.



I 9999999999 I N D

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a proxy to vote on your behalf

XX

I/We being a shareholder/s of **AMCIL LIMITED** hereby appoint

the Chairman of the meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the meeting. Do not insert your own name(s).

or failing the individual or body corporate named in relation to the meeting generally or in relation to a poll on a given resolution, or if no individual or body corporate is named, the Chairman of the meeting, as my/our proxy to act generally at the meeting or in relation to a poll on the given resolution (as applicable) on my/our behalf, including to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of **AMCIL Limited** to be held at **RACV City Club, Level 17, 501 Bourke Street, Melbourne, Victoria, at 1.30pm (AEDT) on Wednesday 8 October 2014** and at any adjournment or postponement of that meeting.

Chairman to vote undirected proxies in favour: I/We acknowledge that the Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

Chairman authorised to exercise proxies on remuneration related matters: If I/we have appointed the Chairman of the meeting as my/our proxy (or the Chairman of the meeting becomes my/our proxy by default), I/we expressly authorise the Chairman of the meeting (to the extent permitted by law) to exercise my/our proxy in respect of item 2 even though the item is connected directly or indirectly with the remuneration of a member of key management personnel of AMCIL Limited, which includes the Chairman of the meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
Item 2	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Election of Director – Mr Roger Brown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Re-election of Director – Mr Bruce Teele	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Re-election of Director – Mr Richard (Bob) Santamaria	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Board recommendations and undirected proxies: The Board recommends shareholders vote in favour of each item of business. The Chairman of the meeting intends to vote undirected proxies in favour of each item of business, to the extent permitted by law.

SIGN Signature of Shareholder(s) *This section must be completed.*

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /

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