



Tuesday, 6 July 2010

CLOSE OF GPG OFFER

Tandou Limited (**Tandou**) is pleased to advise shareholders that the \$0.33 takeover offer (**Offer**) by GPG (No.4) Pty Limited (**GPG**), a wholly owned subsidiary of Guinness Peat Group (Australia) Pty Ltd, closed at 7pm on 5 July 2010. Tandou understands that at the close of the Offer, GPG had a relevant interest in Tandou shares of 24.95%.

Following recent discussions between GPG and Tandou in regard to the Company's strategic direction and the status of GPG's Offer, Tandou has agreed to invite a GPG nominee to join the Board of Tandou.

Dick Warburton, Chairman of Tandou, said "GPG is now Tandou's largest shareholder with 24.95%, and accordingly, the Tandou Board believes it is reasonable for GPG to have a nominee on the Tandou Board."

He added "We are pleased that GPG has decided not to extend its Offer any further. With the Offer now closed, we can get on with the job of growing Tandou. GPG has advised me that, through its nominee, it plans to work productively with the Tandou Board and management in an effort to build value for all shareholders."

No appointment has been made as yet. The Board will keep the market informed of relevant developments.

Yours sincerely

A handwritten signature in black ink, appearing to read "GK Kingwill".

Guy Kingwill
CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR
PH. 03 5018 6500

TANDOU LIMITED
ABN 81 001 014 562

About Tandou Limited:

Tandou Limited (ASX:TAN) is a modern Australian agribusiness and water company that owns and operates large scale irrigated cropping, horticultural and pastoral operations. Established in 1972 Tandou's land holdings cover nearly 85,000 hectares near Menindee NSW, 250 km north of its Mildura corporate office. Over time Tandou has invested in water entitlements and currently owns over 36 gigalitres strategically held across various river systems in the Murray Darling Basin. In addition to trading water entitlements and allocations Tandou combines traditional farming knowledge with the latest technological advancements throughout its enterprises to minimise risk and produce high value returns. It is a major producer of irrigated cotton and durum wheat, along with stone fruit, wine grapes, citrus and organic lamb. Tandou also provides farm management and development services.

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