



TAKORADI LIMITED

ACN 006 708 676

RECOMMENDATION TO SHAREHOLDERS

With regards to

LETTER FROM BJ YAHL & ASSOCIATES

Shareholders may have received a letter from BJ Yahl & Associates (Yahl) requesting your support to call an Extraordinary General Meeting to consider a resolution to wind up Takoradi Limited (TKG).

Your Directors strongly recommend that you **DO NOT SIGN THE NOTIFICATION** attached to the letter from Yahl. Your Directors are firmly of the view that a voluntary winding up of TKG is not in the best interests of shareholders and could be severely detrimental to the value of your TKG shares. We also note that under the Corporations Act, a voluntary winding up of TKG requires a special resolution of members. Having canvassed some of the major shareholders of the Company, it is extremely unlikely that the proposed resolution will receive the necessary support.

In order to avoid unnecessary expenditure on the part of TKG, the Chairman of TKG offered to meet with Mr Bruce Yahl and/or his clients to discuss their concerns prior to Yahl sending out its letter to shareholders. This offer was rejected.

Shareholders will be aware from previous announcements to the Australian Stock Exchange (ASX), that the majority of the issues raised in the letter from Yahl, have been, or are being, addressed.

In particular, the Company's accounts have been completed and are expected to be signed by the Directors in the next few days and by the Company's Auditors early next week. These accounts will then be released to the ASX.

As previously advised, the Company then intends to call an Annual General Meeting where shareholders will be updated on the Company's activities and have an opportunity to ask questions. Should any shareholder wish to discuss the letter from Yahl, please contact Mr Rodney Hudspeth (Chairman) on 02 9252 6844 or Mr Robert Blake (Company Secretary) on 0414 505 260.

RODNEY T HUDSPETH
Chairman

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