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16 December 2009

**The Manager
Australian Stock Exchange
Company Announcements Office
Exchange Centre
Level 4 20 Bridge Street
Sydney NSW 2000**

Dear Sir

The Directors of Orchid Capital Ltd have pleasure in announcing to shareholders that we have, on 15 December 2009, successfully concluded the sale of the Pangala land investment at Lot 12, Samsara Estate, Phuket, Thailand. Consideration received was THB13,000,000 (approximately AUD428,808).

The investment was originally purchased in June 2004. It was reported in the Balance Sheet of the Audited Financial Statements for the year ended 30 June 2009 at AUD290,040 and written down to nil as a result of the Global Financial Crisis and economic uncertainty.

The sale marks our exit from Thailand and is part of our strategy of selling all non-core investments.

Yours faithfully

Orchid Capital Limited

Richard Lambe

Company Secretary