



## **SFC RECEIVES \$1.5 M PROGRESS PAYMENT ON PROPERTY DAMAGE CLAIM**

Schaffer Corporation Limited (ASX: SFC) today advises the receipt of \$1.5 million cash proceeds as a progress payment on an insurance claim for property damage.

The claim relates to a fire event which destroyed the property at Lot 1 Bennett Avenue, North Coogee, which is owned by Gosh Leather Pty Ltd ("Gosh"), an 83% owned subsidiary of SFC. The property was approximately 6,000 m<sup>2</sup> and was leased to a Materials Recycling Facility since 2008, subsequent to Gosh terminating its own leather operations at the property.

As a result of this progress payment there will be additional net profit in the 2011/12 financial year, excluding non-controlling interests, of \$1.1 million.

In addition to property damage, the insurance policy also covers loss of rental for an indemnity period of 12 months, which is being paid in progress payments.

A further announcement will be made once there is more certainty on the final outcome of the property damage claim.

For further information, please contact:

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