RIMCAPITAL LIMITED

ABN 72 064 874 620

RIMCAPITAL LIMITED

www.rimcapital.com.au

ANNUAL REPORT

2009

YEAR ENDED 30 JUNE 2009

Contents

This financial report was authorised for issue by the Directors on 25 September 2009. The Company has the power to amend and reissue the financial report.

YEAR ENDED 30 JUNE 2009

CORPORATE DIRECTORY

DIRECTORS	Mr Pieter W. Greeff (Non-Executive Chairman) Mr Michael J. Bogue (Managing Director & Chief Executive Officer) Mr Malcolm C. Hancock (Non-Executive Director)
COMPANY SECRETARY	Ms Carolyn Patman
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS:	Level 6, Suite 603 Currency House 23 Hunter Street SYDNEY NSW 2000 Telephone: (02) 9232 0211 Facsimile: (02) 9232 0233
SHARE REGISTER:	Link Market Services Limited Level 12 680 George Street Sydney NSW 2000 **Postal Address** Locked Bag A14 Sydney South NSW 1235
AUDITORS:	Nexia Court & Co Level 29, Australia Square 264 George Street Sydney NSW 2000
SECURITIES EXCHANGE LISTING:	RIMCapital Limited shares are listed on the Australian Securities Exchange Limited (Code: "RMC")
COMPANY NUMBERS:	ACN: 064 874 620 ABN: 72 064 874 620

CHAIRMAN AND MANAGING DIRECTOR'S REPORT

Dear Shareholder

The Consolidated Entity posted a net loss of $9.63 million for the year ended 30 June 2009 compared to a net profit of $3.36 million in the prior year. The year was a disappointing and difficult one where the Consolidated Entity's trading portfolio was largely positioned to benefit from a number of initiatives actively pursued during the year which ultimately did not proceed. The two main reasons for this are (a) the global financial crisis; and (b) the outcome of the Oakajee rail and port infrastructure tender with the Western Australian Government for the Midwest iron ore region in Western Australia.

Despite the Company backing Yilgarn Infrastructure Limited ("Yilgarn") and that entity submitting a strong and comprehensive tender proposals, the WA Government awarded both the port and rail projects to a third party. This resulted in a write-down of the Company's $400,000 investment in Yilgarn to nil as at 30 June 2009. It also heavily undermined other significant transactions in this region that the Consolidated Entity was pursuing in the event that Yilgarn was the successful tenderer. The decision to fully write off the investment was not taken lightly given the circumstances surrounding Yilgarn which was seeking to participate in the proposed development of the Oakajee rail and port projects and the current status and climate surrounding their proposed development. The Company notes with some irony the most recent efforts to attract Chinese funding and technical expertise for these proposed developments.

In addition the loss is attributable to the performance of the Consolidated Entity's investment portfolio which generally suffered as a result of the rapid deterioration of the resources sector and the associated increased volatility and decreased liquidity levels in the resources market. These events made trading conditions significantly more difficult. A number of material transactions which were being pursued by the Company were also derailed by the global financial crisis and the inability to retain or attract the requisite funding associated with these initiatives.

During the year the Company, through a wholly owned subsidiary, was granted an exploration licence and has a further two exploration licence applications pending covering approximately 470 square kilometres of potential uranium exploration ground at Northern Yeelirrie located south west of Wiluna in Western Australia. This tenement area adjoins BHP Billiton's ("BHP's") recently reactivated Yeerlirrie Uranium Project which BHP describes as Australia's second largest undeveloped uranium project. The Company is currently seeking joint venture or farm-in arrangements with third parties in respect of this tenement area.

With the 2009 financial year behind us, the Consolidated Entity has regrouped from the events surrounding the Oakajee rail and port development decision and is actively pursuing a range of other value adding transactions for Company shareholders. With lower volatility levels and increased liquidity in the resources market, the Company's core focus remains on pursuing and executing these transactions in the resources and infrastructure sectors.

Subsequent to the financial year end, the Company was pleased to announce that its joint venture partner China Railway Materials Commercial Corp. Group ("CRM") had agreed to make a direct A$27.2 million equity investment into United Minerals Corporation NL (ASX Code: UMC). This 11.38% equity investment is subject to certain preconditions including Chinese and Australian regulatory approvals and the two parties entering into a long term iron ore offtake agreement covering 3.0 million tonnes per annum for 10 years of future production from UMC's Railway Project in the Pilbara region of Western Australia.

For services rendered by the Company in relation to this equity investment transaction, UMC has agreed to pay a 3.0% gross fee on the placement funds to the Company payable in the form of UMC shares at the placement price of $1.35 per share at completion representing 604,444 UMC shares. After costs associated with this transaction the Company will hold a net 530,370 fully paid ordinary shares in UMC valued at $716,000 at the placement price.

DIRECTORS' REPORT - YEAR ENDED 30 JUNE 2009

The consolidated entity looks forward to working co-operatively with CRM and UMC into the future, where appropriate, to accelerate the development of the Railway Project into first production for the benefit of all stakeholders. This may involve assistance with respect to both infrastructure solutions and funding arrangements.

Yours sincerely
RIMCapital Limited

Pieter W. Greeff
Non-Executive Chairman

Michael J. Bogue
Managing Director & Chief Executive Officer

DIRECTORS' REPORT

Your Directors present their report on the RIMCapital Group, consisting of RIMCapital Limited ("the Company") and the entities it controlled at the end of, or during, the year ended 30 June 2009.

Directors

The names of the Directors of the Company at any time during or since the end of the financial year are:

Pieter Willem Greeff (Non-Executive Chairman – appointed 1 August 2007)
Michael Joseph Bogue (Managing Director and Chief Executive Officer – appointed 4 September 2006)
Malcolm Cyril Hancock (Non-Executive Director – appointed 11 September 2007)

Principal Activities

The principal activities of the RIMCapital Group during the year ended 30 June 2009 consisted of:

- Investment in shares of companies listed on the ASX all of which relate to the resources industry;

- Investment in a 50:50 associate company, CRMSC (Australia) Pty Limited, with a subsidiary of China Railway Materials Commercial Corporation. This associate company is in the business of seeking investment opportunities in the Australian resources industry, investments and commodities trading, import and export of mineral resources, railway transportation materials and related products. During the year ended 30 June 2009, CRMSC (Australia) Pty Limited principal activity related to investments in the Australian resources sector; and

- Investment in mineral exploration ground south west of Wiluna at Northern Yeelirrie which has potential for uranium exploration and is adjacent to the BHP Billiton's newly reactivated Yeelirrie Uranium Project. The Company is seeking a joint venture or farm-in partner into this exploration ground holding.

Review of Operations, Financial Position, Business Strategies & Prospects

A review of the operations of the consolidated entity and of the results of those operations for the financial year is outlined in the Chairman and Managing Director's Report in the 2009 Annual Report.

Any other information on the entity's business strategies and its prospects for future years have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Earnings per Share

	2009 $	2008 $
Basic earnings per share (refer to Note 27)	(10.879)	$0.0383
Diluted earnings per share (refer to Note 27)	(10.879)	$0.0362

The Company generated a return on equity of negative 84.01% for the current period compared to 46.4% the prior year.

Dividends

The Directors do not recommend the payment of a dividend at this time and no dividend has been paid or declared during the financial year.

Events Subsequent to Balance Date

Subsequent to the financial year end at 30 June 2009, the Company was pleased to announce that its joint venture partner China Railway Materials Commercial Corp. Group ("CRM") had agreed to make a direct A$27.2 million equity investment into United Minerals Corporation NL (ASX Code: UMC). This 11.38% equity investment is subject to certain preconditions including Chinese and Australian regulatory approvals and the two parties entering into a long term iron ore offtake agreement covering 3.0 million tonnes per annum for 10 years of future production from UMC's Railway Project in the Pilbara region of Western Australia.

For services rendered by the Company in relation to this equity investment transaction, UMC has agreed to pay a 3.0% gross fee on the placement funds to the Company payable in the form of UMC shares at the placement price of $1.35 per share at completion representing 604,444 UMC shares. After costs associated with this transaction the Company will hold a net 530,370 fully paid ordinary shares in UMC valued at $716,000 at the placement price.

There have been no other transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

Significant Changes in the State of Affairs

Other than for the matters dealt with above and elsewhere in this report, there were no other significant changes in the state of affairs.

Likely Developments and Announcements

Refer to the Chairman and Managing Director's Report on page 4 for further details. Information not disclosed is on the basis that, in the opinion of the Directors, the provision of such information would prejudice the interests of the consolidated entity.

Directors' Interests

Information on Directors

Director	Experience	Special responsibilities	Particulars of Directors' interests at the date of this report: Ordinary shares	Options
Pieter Willem Greeff, B.Sc, M.Eng	Mr Greeff holds a Bachelor of Science in Engineering (Mining) from Pretoria University in South Africa and a Masters of Engineering from McGill University in Canada. He is a Fellow of the Aus.I.M.M. and a Fellow of the Australian Institute of Company Directors. He has over 30 years of experience as a mining engineer in Australia and overseas, having held senior executive positions with a number of major mining companies during that period. Mr Greeff has extensive operating and development experience in gold, diamonds, base metals and coal. He retired from Newcrest Mining Limited in 2000 as Executive General Manager – Western Australia Operations, where he was responsible for operations as well as new projects in Western Australia. In the last 3 years Mr Greeff has served as a Non-Executive Director of Castlemain Goldfields Limited retiring on 22 April 2008.	Non-Executive Chairman Member of Audit Committee Chairman of Remuneration Committee	342,857	Nil
Michael Joseph Bogue, B.Com	Mr Bogue holds a Bachelor of Commerce degree and has a diverse and successful background in senior executive roles related to the global resources sector. Over the last 16 years he has undertaken numerous mergers and acquisitions, equity and debt capital market issuances and derivatives transactions across the global resource sector. He is the current Chairman of CRMSC (Australia) Pty Limited, the Company's associate company, with China Railway Materials Commercial Corporation Group, and was previously an Executive Director of a Hong Kong listed entity focused on the resources sector. Previous executive positions have included roles within JPMorgan Chase & Co. as Co-Head of Mining & Metals for Asia Pacific and Australian Oil & Gas, a senior Business Development & Finance role within Newcrest Mining Limited and as principal of a boutique investment and advisory firm specialising in the resources sector.	Managing Director and Chief Executive Officer Member of Audit Committee	7,314,349	12,295,172

DIRECTORS' REPORT - YEAR ENDED 30 JUNE 2009

Director	Experience	Special responsibilities	Particulars of Directors' interests at the date of this report: Ordinary shares	Options
Malcolm Cyril Hancock, BA, MA	Mr Hancock is a graduate of Trinity College, Cambridge and a professional geologist with over 35 years experience in technical and general management within the minerals industry. His technical specialisations are in mining geology, reserve estimation, project evaluation, feasibility studies and mine development. He spent 12 years in Africa in exploration and mining where he was Chief Geologist of a large open pit and underground copper mine. Since 1980 he has worked in Australia as General Manager, Mining for Pancontinental Mining Ltd where he played a major role in evaluation, acquisition and development of several major new mines in a range of commodities including gold, base metals, magnesite and uranium. Since commencing as a consultant to the mining industry, he has concentrated on feasibility and resource/reserve assessment work, technical audits and independent expert reports. He is a current Executive Director of Behre Dolbear Australia Pty Ltd, the Australian subsidiary of the international mining consulting group Behre Dolbear & Co. Inc., and in this capacity undertakes a wide range of technical, valuation and engineering assignments for mining companies and financial institutions.	Non-Executive Director Chairman of Audit Committee Member of Remuneration Committee	282,857	Nil

Meetings of Directors

There were 8 (2008: 13) Directors' meetings, 2 (2008: 1) Audit Committee meetings and 1 (2008: Nil) Remuneration Committee meeting held during the year ended 30 June 2009. The number of meetings held during the year and the number of meetings attended by each Director whilst in office is:

	Directors' meetings		Audit Committee Meetings		Remuneration Committee Meetings	
	No. held while in office	No. attended	No. held while in office	No. attended	No. held while in office	No. attended
Pieter W. Greeff	8	8	2	2	1	1
Michael J. Bogue	8	8	2	2	-	-
Malcolm C. Hancock	8	8	2	2	1	1

Remuneration Report

The Board determines the remuneration of Non-Executive Directors from time to time.

Executive remuneration and other terms of employment are reviewed annually having regard to performance, relevant comparative information and independent expert advice. Remuneration packages are set at levels that are intended to attract and retain Executives capable of managing the RIMCapital Group's business activities and operations. Currently, no element of any Directors' remuneration is dependent on the satisfaction of a performance condition. An element of the Managing Director and Chief Executive Officer's remuneration package consists of options over shares of the Company as approved by the Company's shareholders in general meeting on 11 July 2007 under Australian Securities Exchange Listing Rule 10.14.

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board has also drawn on external sources of information to ensure Non-Executive Directors' fees and payments are appropriate and in-line with the market for comparable companies for time, commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the economic entity.

Non-Executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is currently set by the Constitution of the Company at $400,000. This maximum can be changed by shareholders in general meeting.

All Directors receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation or elect to receive their Directors' fees by way of consultancy fees for which no superannuation guarantee contribution applies.

Remuneration paid to all Directors is valued at the cost to the Company and expensed. The value of unlisted options granted to Directors is brought to account over the vesting period of the options.

The rapid deterioration of the resources sector since the start of the financial crisis and the associated increased volatility and decreased liquidity levels in the resources market made trading conditions significantly more difficult resulting in reduced cash flow through out the year from this activity. In order to better manage cash flow the Board resolved as from 1 January 2009 to reduce the salaries paid to Non-Executive Directors and the Managing Director and Chief Executive Officer.

Details of the nature and amount of each element of the remuneration of each Director of the Company and key management personnel (including the five highest paid officers) of the Company and the consolidated entity for the year ended 30 June 2009 are set out below.

Key Management Personnel

The key management personnel of the Group are the Directors of the Company and the following executive who reports directly to the Managing Director:

James Li – Executive General Manager - Asia

DIRECTORS' REPORT - YEAR ENDED 30 JUNE 2009

Details of the remuneration of the Directors, other key management personnel of the Group and specified executives of the of the Company and Group for the years ended 30 June 2009 and 30 June 2008 respectively are set out on the following tables:

	30 June 2009				
	Short Term Employment Benefits		**Post Employ-ment Benefits**	**Share Based Payments**	
	Salary & Fees $	**Bonus[1] $**	**Super-annuation $**	**Options $**	**Total $**
Pieter W. Greeff	5,450	-	43,600	-	49,050
Michael J. Bogue	287,500	30,000	25,875	294,746	638,121
Malcolm C. Hancock	27,000	-	2,430	-	29,430
James Li [2]	200,000	50,000	18,000	54,616	322,616
Total	519,950	80,000	89,905	349,362	1,039,217

(1) Bonuses paid were in respect of the previous year's results

(2) Mr James Li is the only Executive of the Group for which remuneration disclosures are required under the Corporations Act 2001. Mr James Li was an employee of the Company and its associate company, CRMSC (Australia) Pty Limited, during the year ended 30 June 2009. CRMSC (Australia) Pty Limited is equity accounted for in the consolidated accounts.

	30 June 2008				
	Short Term Employment Benefits		**Post Employ-ment Benefits**	**Share Based Payments**	
	Salary & Fees $	**Bonus $**	**Super-annuation $**	**Options $**	**Total $**
Pieter W. Greeff	-	-	46,325	-	46,325
Michael J. Bogue	287,500	43,000	25,875	801,457	1,157,832
Malcolm C. Hancock	24,115	-	2,170	-	26,285
Robert M. Willcocks (resigned 2 October 2007)	50,417	-	-	-	50,417
Jamie Che[3] (resigned 19 October 2007)	55,238	-	4,971	-	60,209
James Li [3]	161,615	20,000	14,400	30,136	226,151
Total	578,885	63,000	93,741	831,593	1,567,219

(3) Mr James Li is the only Executive of the Group for which remuneration disclosures are required under the Corporations Act 2001. Mr James Li and Mr Jamie Che were employees of the Company and its associate company, CRMSC (Australia) Pty Limited, during the year ended 30 June 2008. CRMSC (Australia) Pty Limited is equity accounted for in the consolidated accounts.

Remuneration levels are set and determined by the Board of Directors. Independent advice on the appropriateness of remuneration packages is obtained should the Board of Directors consider it necessary. Remuneration packages are based on fixed remuneration, performance based remuneration and equity based remuneration in the year ended 30 June 2009.

In relation to any element of the remuneration of key management personnel or executives which consists of securities, the Board has no policy in relation to those persons limiting their exposure to risk in relation to the securities.

Mr James Li had a performance condition attached to the grant on 1 August 2007 of 1,200,000 options under the Employee and Executive Share Option Plan. The performance condition was dependent upon Yilgarn

Infrastructure Limited ("Yilgarn") being the successful tenderer to build the rail and port infrastructure to Oakajee in relation to the emerging mid-west Western Australian iron ore sector. If Yilgarn was successful, the Group was to see a significant financial benefit flow to it in return for services rendered. Despite the tender being unsuccessful it was subsequently determined that the performance condition was satisfied.

No other element of remuneration for key management personnel or executives was dependent on a performance condition as the Board determined that these elements were fair and appropriate remuneration.

Summary Terms of Managing Director and Chief Executive Officer Remuneration Package

The appointment is to the position of Managing Director and Chief Executive Officer of the Company on a full–time basis and is for an indefinite duration, terminable as provided below.

The duties of Mr Bogue are those expected of a Managing Director and Chief Executive Officer, reporting to and taking directions from the Board. Mr Bogue is not, without the prior written consent of the Company, to accept new appointments as a Director or secretary of any additional companies from the date of his appointment.

The key terms of the service agreement are:

- total base salary (including 9% superannuation contributions) of $272,500 per annum effective as from 1 January 2009. This is a decrease of over 23% from the first 6 months from 1 July 2008 of $354,250;

- as determined at the sole discretion of the Board an annual bonus of up to 3% of the Company's Net Profit After Tax. A further bonus of up to 100% of Mr Bogue's base salary may be payable upon completion of each significant transaction which he undertakes for the Company. During the year Mr Bogue received a cash bonus of $30,000 in relation to the results and performance of the consolidated entity in the prior year. No annual bonus will be payable in relation to the disappointing results and performance of the consolidated entity for the year ended 30 June 2009;

- participation in the Company's Managing Director and Chief Executive Officer Share Option Plan in accordance with the Plan's conditions as apply from time to time;

- Mr Bogue is restrained for 6 months after the termination of his employment from procuring or soliciting the custom of any person or entity which was a client or customer of the Company or any of its related corporations;

- Mr Bogue must not use or disclose the Company's confidential information except as required to carry out his duties for the Company; and

- during the period ending 31 December 2009 (Initial Term), the Company may terminate Mr Bogue's employment by providing the greater of 12 month's notice or notice equivalent to the remainder of the Initial Term. Subsequently, the Company may terminate with 3 month's notice. The Company may also terminate without notice for misconduct and other specified grounds. Mr Bogue may resign at any time by providing 3 month's notice.

Summary Terms of Executive General Manager - Asia Remuneration Package

The appointment is to the position of Executive General Manager - Asia of the Company on a full–time basis and is for an indefinite duration, terminable as provided below.

The duties of Mr Li are to work in close consultation, co-operation and partnership with the Managing Director and Chief Executive Officer particularly, but not limited to, sourcing Group debt and equity funding from Asian entities, undertaking technical analysis and due diligence of potential Group acquisitions or project interests, liaising with Asian entities in respect of the aforementioned acquisitions or project interests.

The key terms of the service agreement are:

- total remuneration package of $200,000 per annum;
- statutory superannuation contributions on the base salary;
- participation in any cash bonus plans, share and options plans or other incentive plans approved by the Board from time to time. Such payments or other benefits shall not be included as part of the total remuneration package or calculation of any other amounts or entitlements that may be payable. During the year Mr Li received a cash bonus of $50,000 in relation to the results and performance of the consolidated entity in the prior year. No annual bonus will be payable in relation to the disappointing results and performance of the consolidated entity for the year ended 30 June 2009;
- Mr Li must not use or disclose the Company's confidential information except as required to carry out his duties for the Company;
- the Company may terminate Mr Li without notice for misconduct and other specified grounds. The Company may terminate the agreement providing 2 months notice. Mr Li may resign at any time by providing 3 month's notice.

Shares Under Option

Details of options over ordinary shares in the Company provided as remuneration to Directors and other key management personnel of the Group and specified executives of the of the Company and Group are set out below:

	Number of options granted during the year		Number of options vested during the year	
Plan and Personnel Name	**2009**	**2008**	**2009**	**2008**
Managing Director and Chief Executive Officer Share Option Plan				
Michael J. Bogue	-	13,195,172	4,195,172	-
Employee and Executive Share Option Plan				
James Li	750,000	1,200,000	400,000	-

On August 1, 2007 the Company issued an aggregate of 13,195,172 options to Mr Michael J. Bogue pursuant to the terms of the Managing Director and Chief Executive Officer Share Option Plan ("MDSOP") approved by shareholders in general meeting on 11 July 2007. Approval for the issue of these options was obtained under Australian Securities Exchange Listing Rule 10.14. On the same day the Company also issued an aggregate of 2,000,000 options to Group Company employees (including 1,200,000 to Mr James Li) pursuant to the terms of the Employee and Executive Share Option Plan ("EESOP") approved by shareholders in general meeting on 11 July 2007.

On November 3, 2008 the Company issued an additional 1,150,000 options to Group Company employees (including 750,000 to Mr James Li) pursuant to the EESOP. Since the original issue of the EESOP options to the date of this report a total of 850,000 EESOP options have been forfeited.

The terms of these options are set out below.

The options referred to above are subject to certain restrictions and, in the case of 1,200,000 options held by Mr James Li, certain performance conditions, as set out in the relevant option Plans and approved by the Company's shareholders in general meeting on July 11, 2007, and the conditions attached to individual option grants pursuant thereto.

DIRECTORS' REPORT - YEAR ENDED 30 JUNE 2009

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are:

Option Plan	Grant Date	Date vested and exercisable	Expiry Date	Exercise Price	Value per option at grant date
MDSOP – Tranche 1	1/8/2007	1/8/2008	1/8/2012	6.5c	12.0c
MDSOP – Tranche 2	1/8/2007	1/8/2009	1/8/2012	9.0c	10.7c
MDSOP - Tranche 3	1/8/2007	1/8/2010	1/8/2012	12.0c	8.9c
EESOP	1/8/2007	1/8/2008	1/8/2012	23.0c	4.5c
EESOP	1/8/2007	1/8/2009	1/8/2012	23.0c	4.5c
EESOP	1/8/2007	1/8/2010	1/8/2012	23.0c	4.5c
EESOP	3/11/2008	3/11/2009	3/11/2011	20.0c	9.3c
EESOP	3/11/2008	3/11/2010	3/11/2011	20.0c	9.3c

Summary of the rules of the EESOP and MDSOP

The EESOP and MDSOP are separate and distinct from each other. However, their rules are broadly the same with minor differences primarily relating to the fact that the MDSOP applies only to the Managing Director and Chief Executive Officer. Accordingly, a combined summary of the EESOP and MDSOP rules are set out below, with the material differences noted. A full copy of each set of the EESOP rules and MDSOP rules are available on the Company's website.

- Eligibility – under the EESOP the Board of Directors have discretion as to who is an Eligible Executive, under the MDSOP the Managing Director and Chief Executive Officer (or his appointed nominee) is the only eligible participant;
- Offers – under the EESOP the Board of Directors may offer options to Eligible Executives, under the MDSOP only the Managing Director and Chief Executive Officer (or his appointed nominee) may be offered options;
- Terms – each option on exercise converts to one fully paid ordinary share;
- Vesting – options vest three years after they are granted or on such other date(s) as determined by the Board;
- Exercise Price – the exercise price of an option will be the market value of a fully paid ordinary share of the Company (calculated in accordance with section 139FA of the Income Tax Assessment Act 1936 (Cth)) at the time of the date of grant, or such other date as determined by the Board of Directors;
- Exercise of options – options will not be exercisable until those options have satisfied all performance conditions (if any) established by the Board of Directors unless otherwise determined by the Board;
- Expiry date – the options will have a specified life terminating 5 years after the date of grant or such other date as determined by the Board;
- Non-transferable – an option granted to an Eligible Executive or the Managing Director and Chief Executive Officer is not transferable and may not otherwise be dealt with, except by operation of law on death or legal incapacity;

- Lapse of unvested options – under the EESOP, unvested options lapse on termination of employment unless otherwise determined by the Board of Directors in certain situations. Under the MDSOP, subject to certain exceptions, unvested options lapse on termination of employment;

- Lapse of vested options – vested options lapse on the earlier of:

    - 5 years after the date of grant, or such other date as determined by the Board;

    - the date on which the participant is terminated for cause; or

    - the expiry of 90 days after the participant is made redundant, is terminated (other than for cause), dies or becomes totally and permanently disabled or the participant ceases service as a result of a takeover or change of control or is not re-elected to office by shareholders (where applicable) or in such other circumstances as determined by the Board.

- Takeover or change of control – if either of these events occurs in relation to the Company involving more than 25% of the issued shares, then the participant will be entitled to exercise granted options;

- Performance condition – the Board of Directors may determine that, in respect of any grant, options will be exercisable under the EESOP or MDSOP only where a performance condition has been met;

- Source of shares – shares required for the purposes of the EESOP and MDSOP are to be sourced by issuing new shares;

- Payment for shares – any costs associated with shares issued for the purposes of the EESOP and MDSOP will be paid by the Company. Any exercise price payable on the exercise of an option will be paid by the participant;

- Reconstructions, Bonus and Rights issues – the exercise price of an option will be adjusted in the manner contemplated by the ASX Listing Rules from time to time to take account of rights issues, capital reconstructions and bonus issues;

- Issued capital not to exceed 5% in both the EESOP and MDSOP – subject to certain exceptions, the number of shares that may be issued under all of the Company's employee share plans (assuming all options and rights to acquire shares are fully exercised), must not exceed 5% of the issued capital of the Company at any time. The particular exception to the 5% limit on which the MDSOP will rely on, is the exception that the Managing Director and Chief Executive Officer is a senior manager and therefore shares issued to him will not count when calculating the 5% limit. This limit is applied in accordance with the requirements of the ASIC Class Order 03/184 concerning employee share schemes. In accordance with the Class Order, securities issued to senior managers (which includes Directors and senior Executives) of the Company are excluded when calculating the 5% limit. This exception will therefore also apply to shares issued to senior managers who participate in the EESOP.

- Amendments to the EESOP and MDSOP rules – subject to the provisions of the EESOP, the MDSOP and the Listing Rules, the Board of Directors may amend the EESOP rules and MDSOP rules. However, the EESOP rules and MDSOP rules may not be amended if, broadly, in the Board of Directors' opinion the amendment would materially reduce the rights of a participant in respect of options already granted.

Shares Provided on Exercise of Remuneration Options

Details of ordinary shares in the Company provided as a result of exercise of remuneration options to Directors and other key management personnel of the Group and specified executives of the of the Company and Group are set out below:

DIRECTORS' REPORT - YEAR ENDED 30 JUNE 2009

Plan and Personnel Name	Date of exercise of options	Amount paid per ordinary share	Number of ordinary shares issued on exercise of options during the year 2009	2008
Managing Director and Chief Executive Officer Share Option Plan				
Michael J. Bogue	15 April 2009	6.5 cents	900,000	-

No amounts are unpaid on any shares issued on the exercise of options.

Cash bonuses and options

For each cash bonus and grant of options the percentage of available bonus or grant that was paid, or that vested, in the financial year and the percentage that was forfeited because the person did not meet the service or performance criteria is set out below. No options will vest if the conditions are not satisfied, hence the minimum value yet to vest is Nil. The maximum value of options yet to vest has been determined as the amount of the grant date fair value of the options that is yet to be expensed.

	Cash bonus		Options					
Name	Paid %	Forfeited %	Year granted	Vested %	Forfeited %	Financial yeard in which options may vest	Minimum total value of grant yet to vest	Minimum total value of grant yet to vest
Michael J. Bogue	100	-	2008	31	-	30/06/2011	-	400,500
						30/06/2010	-	481,500
James Li	100	-	2009	-	-	30/06/2011	-	41,250
			2008	33	-	30/06/2010	-	64,500

Share based compensation

Further details relating to options for the year ended 30 June 2009 are set out below.

Name	A Remuneration consisting of options	B Value at grant date $	C Value at exercise date $	D Value at lapse date $
Michael J. Bogue	46.19%	-	58,500	-
James Li	16.93%	69,750	-	-

A = The percentage of the value of remuneration consisting of options, based on the value of options expensed during the current year
B = The value at grant date calculated in accordance with AASB 2 *Share-based Payment* of options granted during the year as part of remuneration
C = The value at exercise date of options that were granted as part of remuneration and were exercised during the year, being the intrinsic value of the options at that date
D = The value at lapse date of options that were granted as part of remuneration and that lapsed during the year because a vesting condition was not satisfied. The value is determined at the time of lapsing but assuming the condition was satisfied

Indemnification and Insurance of Officers

The Company has entered into Deeds of Access and Indemnity with each of the current Directors. Insurance cover for Directors and Officers liability has not been incurred since 30 April 2003.

Corporate Governance

Refer to pages 19 to 29 for the Corporate Governance Statement.

Company Secretary

Ms Carolyn Patman

Ms Carolyn Patman has been the Company Secretary of RIMCapital Limited since 1 July 2007. She is a Director of Client Services of HLB Mann Judd and has been a Chartered Accountant for over 15 years.

Auditor

Nexia Court & Co continues in office in accordance with section 327 of the Corporations Act 2001.

Details of amounts paid or payable to the auditors for audit and non-audit services are set out in Note 20 to the financial statements. The Directors have considered the position and are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

A copy of the auditors' independence declaration as required under Section 307C of the Corporations Act 2001 given to the Directors by the lead auditor for the audit undertaken by Nexia Court & Co is included on page 18.

Environmental Regulation

The Directors are of the opinion that sufficient procedures and reporting processes have been established to enable the consolidated entity to meet any environmental responsibilities in the year ended 30 June 2009.

Signed in accordance with a resolution of the Directors.

Dated: **25 September 2009**

Pieter W. Greeff
Non-Executive Chairman

Michael J. Bogue
Managing Director & Chief Executive Officer

NEXIA COURT & CO

NEXIA INTERNATIONAL

CHARTERED ACCOUNTANTS

ABN 71 502 156 733

AUDITORS' INDEPENDENCE DECLARATION

Level 29, Australia Square
264 George Street,
Sydney NSW 2000
PO Box H195,
Australia Square NSW 1215
T 61 2 9251 4600
F 61 2 9251 7138
info@nexiacourt.com.au
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To the Directors of RIMCapital Limited:

As lead auditor for the audit of RIMCapital Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

(a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of RIMCapital Limited and the entities it controlled during the year.

Nexia Court & Co.

Nexia Court & Co
Chartered Accountants

D Gallery

David Gallery
Partner

Sydney

Dated: **25 September 2009**

CORPORATE GOVERNANCE STATEMENT

New Corporate Governance Principles and Recommendations (2nd Edition) were released in August 2007 by ASX Corporate Governance Council which, in conjunction with the ASX Listing Rules and the Corporations Act (Cth) 2001, require companies to disclose whether their corporate governance practices follow the ASX Principles.

A new Corporate Governance Statement reflecting the Company's new charters, policies and initiatives as at 22 August 2007, which were formally adopted by the Board of Directors as from that date, are designed to meet, as far as practicable, the Corporate Governance Principles and Recommendations (2nd Edition) released in August 2007 by ASX Corporate Governance Council and they supersede any previous Corporate Governance Statements which were adopted by the Company.

The Company complies with The Corporate Governance Principles and Recommendations except in the following instances:

	Recommendation	**Reason for departure**
1.2	Performance evaluation process for senior Executives	Senior executives have been evaluated by the Managing Director and discussed at Board level on the basis of qualitative and quantitative key performance indicators.
2.4	The Board should establish a nomination committee	Considering the size, composition and skill set of the Board and the Company, during the year under review, the Company does not propose to have a Nomination Committee. The full Board performed the functions of the Nomination Committee, which are detailed below.
4.2	Audit committee to consist only of Non-Executive Directors	Michael Bogue, an Executive Director is a member of the committee. Considering the size, composition and skill set of the Board, at present, this composition of the committee is considered appropriate by the Board. As the Company appoints more Non-Executive Directors, the Board will consider reconstituting the committee to comply with the ASX recommendations.
6.1	Electronic communication with investors	The Company does not currently communicate information updates to investors by way of email as it is cost prohibitive at this stage.
8.1	Remuneration committee to consist only of at least three members.	The present requirement of the committee is that it consists of not less than two Directors. Considering the size, composition and skill set of the Board, at present, this composition of the committee is considered appropriate by the Board. As the Company appoints more Non-Executive Directors, the Board will consider reconstituting the committee to comply with the ASX recommendations.

The Principles and Recommendations will be periodically re-examined by the Board to ensure that they continue to be applied and that the Company continues to reflect sound business practice. The Board reserves the right to amend or update these charters, codes and policies at its discretion.

BOARD CHARTER – THE ROLES OF THE BOARD AND MANAGEMENT

The Board is responsible for protecting the rights and interests of shareholders and for the overall corporate governance of the Company. It oversees and guides the management of the Company to protect and enhance the interests of shareholders, and also ensures that the interests of other stakeholders, such as clients, employees and suppliers and the community as a whole, are taken into account.

As a general principle it is management's role and responsibility to formulate strategy and business initiatives and for the Board of Directors to ratify same. It is also management's role and responsibility to ensure the performance of the Company's in its day to day business activities and in its pursuit of corporate strategy and business initiatives and for the Board of Directors to monitor management's performance in this regard.

The full Board aims to conduct at least 12 meetings per annum, plus special purpose meetings on strategy, budget review and approval, review and adoption of reports, or other matters that require more time than a scheduled Board meeting normally permits.

Board papers are prepared and circulated in advance of scheduled meetings, based on an agenda prepared by the Executive group in consultation with the Chairman. The Executive group currently comprises the Managing Director and Chief Executive Officer.

BOARD RESPONSIBILITIES

The Board of the Company and individual Directors are responsible for:

- Establishing the vision, mission, and Code of Conduct and ethical standards of the Company.
- Oversight of the activities of the Company, setting its strategic direction and agreeing any Key Performance Indicators (KPIs).
- Monitoring the performance of management against the strategic goals.
- Approving the Corporate Strategy, budget and corporate policies.
- Any crisis management if required.
- Appointment and removal of the Managing Director and Chief Executive Officer, other Executive Directors and the Company Secretary together with planning for succession to these positions.
- Selection of Non-Executive Directors and the monitoring of performance of individual Directors.
- Ensuring that a balance of authority is maintained so that no single individual has unfettered powers.
- Disclosing the division of responsibility and regulating the balance of responsibility.
- Management of the remuneration and reward systems and structures for Executive management and staff.
- Final level review and approval of strategic and operating plans, together with financial and operational performance objectives.
- Approval of reporting systems and monitoring of overall performance and progress against approved financial and other objectives.
- Reviewing and monitoring to ensure the effective use of systems for internal and supervisory control, risk management and protection of assets, capital value and legal compliance.
- Setting the standards for public and social accountability.

CORPORATE GOVERNANCE STATEMENT - YEAR ENDED 30 JUNE 2009

- Approval and monitoring of major non-operating activities including capital investment, acquisitions, divestitures and corporate transactions.
- Ensuring the availability of sufficient resources to meet the approved objectives of the Company.
- Monitoring and cooperating with the Company's external auditors, ensuring that the capital markets are kept informed of all relevant and material matters and ensuring effective communications with shareholders.

The Board issues formal letters of appointment to all Directors which set out the key terms and conditions of appointment.

Because both the size of the Company and the Board do not, in the opinion of the Directors, warrant the establishment of a separate Nomination Committee, these tasks are undertaken by the full Board in special meetings or sessions. A summary of these activities is as follows:

- Assessing the competencies required by the Board as a whole and by individual Directors in the context of the current Board structure.
- Developing and reviewing any succession plans for the appointment of additional or replacement Directors given changes in the nature of the Company and its businesses, retirement of current incumbents or the necessity to acquire additional skills for the Board.
- Ensuring optimal arrangements are in place for Executives nominated as successors.
- Ensuring that the Chairman assesses the performance of each individual Director and conducts a discussion of each Director's performance with that Director at least once per annum.
- Ensuring that, at least once per annum, two Directors evaluate the performance of the Chairman and conduct a discussion with the Chairman regarding this performance evaluation.
- Undertaking the appointment of new Directors having regard to the current competency requirements of the Company and the desirable skills, qualifications, experience and domicile of potential new appointees.
- Ensuring the maintenance of an appropriate induction and ongoing information and education process for individual Directors.
- Reviewing the time necessary for Non-Executive Directors to fulfil their obligations and determining if these requirements are being met.
- Recommending the removal of Directors where required.

During the financial year a performance evaluation of each Director, including the Managing Director and Chief Executive Officer, has taken place in accordance with the process outlined.

BOARD COMPOSITION

Membership of the Board is guided by the following principles:

- The number of Directors will be maintained at a level which will enable effective spreading of workload and efficient decision making;
- The Chairman of the Board shall be an independent Non-Executive Director and may not have served as an Executive officer of the Company;
- The Company should strive to have a majority of the Board as independent Non-Executive Directors;

CORPORATE GOVERNANCE STATEMENT - YEAR ENDED 30 JUNE 2009

- The Board should comprise Directors with a broad range of expertise, skills and experience from a diverse range of backgrounds; and

- The same individual may not hold the roles of Chairman and Chief Executive Officer.

It is the approach and attitude of each Non-Executive Director which is critical to determining independence and this must be considered in relation to each Director while taking into account all other relevant factors which may include whether the Non-Executive Director:

- holds less than five percent of the voting shares of the Company (in conjunction with their associates) and is not an officer of the Company, or otherwise associated directly with a shareholder of more than five percent of the voting shares of Company;

- within the last three years been employed in an Executive capacity by the Company or another Group member, or been a Director after ceasing to hold any such employment;

- within the last three years has been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the service provided. In this context, the relationship with the professional adviser or consultant shall be deemed to be material if payments from the Company exceed 10% of the Company's annual expenditure to all professionals and consultants or exceed 10% of the recipient's annual revenue for advisory or consultancy services;

- is a material supplier or customer of the Company or another Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer. In this context, the relationship with the supplier or customer shall be deemed to be material if annual payments to or from that supplier or customer exceed 10% of the annual consolidated gross revenue of either the Company or that supplier or customer; and

- has a material contractual relationship with the Company or other Group member other than as a Director of the Company.

OTHER BOARD POLICIES

The Company has adopted other Board policies covering:

- Appointment and Re-election of Board Members;
- Director Independence;
- Meetings of the Board;
- Nomination and Appointment of New Directors;
- Board Access to Information and Independent Advice; and
- Board Committees including both Remuneration and Audit Committees.

A summary of the skills, experience and expertise relevant to the position of director and period of office for each Director is outlined in the Directors' Report.

Mr Pieter W. Greeff and Mr Malcolm C. Hancock are both considered by the Board to be independent directors.

Each Director may, with the prior written approval of the Chairman, obtain independent professional advice to assist the Director in the proper exercise of powers and discharge of duties as a director or as a member of a Board Committee. The Company will reimburse the director for the reasonable expense of obtaining that advice.

CODE OF CONDUCT AND ETHICAL BEHAVIOUR

The Company has established and documented the standards of ethical behaviour expected of its Directors, management, employees and contractors. The Code of Ethics is a practical set of principles giving direction and reflecting an open and ethical approach to business conduct. The Code supports the Company's long-term goals, as adherence will demonstrate integrity and will create loyalty and trust in employees, clients, the community and other stakeholders.

The Code aims to ensure that the Company, through its officers, employees and agents, acts with high standards of honesty, integrity, fairness and equity. The Company Staff will not knowingly participate in any illegal or unethical activity. They will not enter into any arrangement or participate in any activity that would conflict with the interests of the Company or prejudice the performance of their duties to the Company. The Board and management of the Company will actively promote compliance with all relevant laws and regulations, together with the Code.

STATEMENT OF COMMITMENT TO CODE

The Company has established and documented the standards of ethical behaviour expected of its Directors, management, employees and contractors in all aspects of conducting business with the Company. The Code is not intended to be a set of prescriptive rules but a practical set of principles giving direction and reflecting an approach to business conduct, which is open and ethical. By complying with the Code it is anticipated that the Company's long-term goals will be achieved, as adherence will demonstrate integrity and will create loyalty and trust in employees, clients, the community and other stakeholders.

The objective of the Code is to ensure the maintenance of high standards of corporate and individual behaviour by all the Company Directors, officers, employees, consultants and contractors ("the Company Staff") in all matters related to the Company.

Individuals are aware of their responsibilities regarding ethics and business conduct.

All individuals and organisations dealing with the Company are aware of the stated values and policies of the Company.

CODE COMPLIANCE

The Company Staff and others subject to the Code shall be required to adhere to its provisions under the terms of each agreement creating and governing their relationship with the Company. Individuals are intended to adhere to the Code both in letter and in spirit. Adherence to the Code is a term of employment or engagement with the Company. Violation of the Code by any individual, or unethical behaviour which may affect the reputation of the Company, may be subject to disciplinary action including termination of the relationship with the Company.

ETHICAL BEHAVIOUR PRINCIPLES

The Company, through its officers, employees and agents must act with high standards of honesty, integrity, fairness and equity in all aspects of their activities with the Company. They must comply fully with the content and spirit of all laws and regulations, which govern the operation of the Company, its business environment, and its employment practices.

The Company Staff will not knowingly participate in any illegal or unethical activity. They will not enter into any arrangement or participate in any activity that would conflict with the interests of the Company or prejudice the performance of their duties to the Company.

The Code of Conduct and Ethical Behaviour covers the following areas:

- Responsibilities to Shareholders and the Investment Community
- Care and Diligence in the performance of business activities
- Conflicts of Interest
- Opportunities to compete with the Company
- Confidentiality
- Media Relations
- Employment Practices

- Fair Dealing in business conduct with all stakeholders
- Use of Company Assets
- Gifts and Entertainment
- Corporate Social Responsibility
- Social Responsibility
- Employees and work/life balance

The Board and management of the Company will actively promote compliance with all relevant laws and regulations.

SHARE TRADING POLICY

The Company's Share Trading Policy prohibits the buying or selling of Company securities at any time by any Director, officer, Executive, contractor, consultant or employee ("Insiders") who possesses price-sensitive information about the Company, which is not available to investors and the stock market generally. This prohibition applies regardless of how the person learns of the information (e.g. even if the information is overheard in a social setting). This policy is intended to enhance investor confidence and help to minimise the suspicion of trading by Company Directors, Executive managers or employees who maybe in possession of price sensitive information which has not been publicly released.

As a broad principle, Insiders are not permitted to trade Company shares in the two (2) week period immediately prior to the release of and the three (3) business day period following the release of the Company's half yearly and annual results. Insiders are also not permitted to trade Company shares if in the possession of price-sensitive information at any time.

The Company Secretary is responsible for advising each Director and other Insiders on the trading window prohibitions arising above and around the dates of release of the Company's half yearly and annual results as applicable.

The Managing Director and Chief Executive Officer of the Company will monitor compliance with the Share Trading Policy and will report findings monthly to the Board including, as a minimum, details of all Directors' holding in Company securities on a monthly basis.

AUDIT COMMITTEE

The Audit Committee monitors internal control policies and procedures designed to safeguard Company assets and to maintain the integrity of financial reporting.

The Board Audit Committee acts in accordance with its Charter. The primary role of the Committee is to assist the Board in fulfilling its responsibilities in relation to the Company's corporate governance objectives by fulfilment of its responsibilities relating to accounting and legal compliance by:

- Maintaining effective internal and supervisory control procedures.

- Identifying and managing business risks.

- Submitting and reviewing reports for Management, the Board and other external bodies.

- Ensuring the independence and effectiveness of the external auditor and, in particular, as related to the production of quarterly, half-yearly and annual reports to shareholders and to ASX. In addition, the Committee reviews the nomination and performance of the auditor. Candidates for the position of external auditor of the Company must be able to demonstrate complete independence from the Company and an ability to maintain independence through the engagement period. Further, the external auditor must have arrangements in place for the rotation of the lead audit engagement auditor and the engagement quality control review partner within the statutory time frames.

- Overseeing compliance with relevant laws and regulations and in particular the Corporations Act and the Listing Rules.

- Ensuring the consistency and appropriateness of accounting policies and procedures and any amendments thereto.

- Adhering to ethical standards, and in particular conflict of interest matters and related party transactions.

The Board Audit Committee is comprised of three members of the Board, two of whom are Non-Executive Directors and all of whom have significant financial abilities. The members of the Audit Committee are:

Malcolm C. Hancock (Chairman)
Pieter W. Greeff
Michael J. Bogue

The qualifications of the above members of the Audit Committee and attendance at Audit Committee meetings are outlined in the Directors' Report.

The quorum necessary for the transaction of business shall be 2 members.

The Audit Committee has direct access to management and meets periodically with the external auditors to assess and review internal controls and matters relating to corporate governance, the truthful and accurate reporting of the Company's financial position.

Other Board members and other persons considered appropriate, for instance the external auditor or senior Executives, are invited to attend Audit Committee meetings as required.

Minutes of each meeting will be kept and will be included in the papers for the next Board Meeting.

The Audit Committee also conducts an annual review of its processes to ensure that it has carried out its functions in an effective manner.

The composition, operations and responsibilities of the Committee are consistent with Principle 4.

CONTINUOUS DISCLOSURE POLICY

The Corporations Act and the ASX Listing Rules require that material price sensitive information be released to the market immediately it becomes known, unless it falls within an exception to the rule.

The Board's policy is to comply with the letter and spirit of the relevant laws and regulations and to ensure that shareholders, and the markets generally, are informed of all material developments that impact on the Company, and that all disclosures made by the Company are clear, complete, objective and not misleading.

A detailed Disclosure Procedure exists to maintain the market integrity of the Company's shares listed on the Australian Securities Exchange Limited (ASX). It is proposed the Company establish written policies and procedures designed to manage the Company's compliance with its continuous disclosure obligations and to assign management accountability for compliance.

The Managing Director and Chief Executive Officer has ultimate authority and responsibility for approving market disclosure, which in practice is exercised in consultation with the Company Secretary. All releases, including relevant external briefing and presentation materials, will be made available on the Company website. The Company's continuous disclosure policy is proposed to be consistent with Principle 5.

Details of payments to Executives for the financial year ending 30 June 2009 year are disclosed in the 2009 Directors' Report. Core entitlements of any new Executives will be disclosed at the time when they are agreed as well as at the time the actual payment is made.

CORPORATE GOVERNANCE STATEMENT - YEAR ENDED 30 JUNE 2009

FINANCIAL DISCLOSURE

The Board has a primary responsibility to ensure that:

- The Company presents and publishes accounts, which present a true and fair view of its results and financial position.
- The accounting methods adopted are appropriate to the Company and consistently applied in accordance with relevant accounting standards and the applicable laws.
- The appointment and performance of the external auditor is appropriately monitored to ensure independence and the serving of the interests of shareholders.

DISCLOSURE PROCEDURE

The objective of the Disclosure Procedure is to ensure that:

- The disclosure requirements of the Corporations Act and the ASX Listing Rules are met;
- Individuals are aware of their responsibilities regarding the Company's disclosure obligations;
- Investors have an equal and timely access to material information to allow them to make informed decisions;
- Company Announcements are balanced, factual and negative as well as positive information is disclosed;
- Procedures are in place to monitor compliance.

COMMUNICATIONS WITH SHAREHOLDERS

The Company recognises its duty to inform shareholders of matters that may affect their investment in the Company. The Company will be open and transparent to all shareholders and other parties with an interest in the Company's performance, providing information in a timely, easily understandable and balanced way as follows:

- compliance to the ASX Listing Rules on disclosure;
- prompt appearance on the Company website of annual reports, market announcements, major press releases and the terms of reference of the Board Committees;
- at the AGM, shareholders are encouraged to ask questions of Board members or of the external auditor;
- notices and explanatory memoranda of AGMs or other general meetings of shareholders;
- special announcements or letters are forwarded to shareholders whenever there are major developments to report.

In addition, shareholders are encouraged to make their views known or to seek clarification on information available in the public arena by contacting the Company Secretary.

BUSINESS RISK MANAGEMENT

Due to the size and nature of operations of the Company, the Board does not believe that any marked efficiencies or enhancements would be achieved by the creation of a separate Risk Management Committee. The Audit Committee carries out the functions of a Risk Management Committee.

Due to the size and scale of operations of the Company, there is no separate internal audit function. The Directors presently carry out an internal audit to analyse and give an appraisal of the adequacy and effectiveness of the Company's risk management and internal control system. This internal audit is independent of the external auditor. The risk management and internal control system is reviewed by the Board at least annually.

The Board has received from the Managing Director and Chief Executive Officer and Chief Financial Officer (or equivalent):

- a report that the Company's risk management and internal control system is operating efficiently and effectively in all material respects in relation to material business risks; and.
- assurance that the statement given in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

REMUNERATION COMMITTEE

The Board maintains remuneration policies aimed at attracting and retaining a motivated workforce and management team. The intention is to align the reward system to the performance of the Company, and ultimately to the long-term value received by our shareholders.

To facilitate this objective, a Remuneration Committee conducts its activities in accordance with a written charter that would be adopted by the Board and is reviewed on an annual basis. The composition, operation and responsibilities of the Committee are largely consistent with Principles 2 & 8.

The Remuneration Committee's purpose is:

- To review, approve and monitor remuneration policies and practices;
- To approve the remuneration package for the Managing Director & Chief Executive Officer and all Executive Directors;
- To make recommendations to the Board of Directors in relation to the remuneration of all Directors and to distinguish the structure of Non-Executive Director's remuneration from that of Executive Directors and senior Executives;
- To consult with the Managing Director and Chief Executive Officer in setting remuneration packages of any direct reports of the Managing Director and Chief Executive who are not Directors of the Company.

The members of the Remuneration Committee are:

Pieter W. Greeff (Chairman)
Malcolm C. Hancock

Attendance at Remuneration Committee meetings is outlined in the Directors' Report.

STRUCTURE AND PROCEDURES OF REMUNERATION COMMITTEE

The Committee shall consist of not less than two Directors of the Company, not more than one of whom shall be an Executive Director.

The Chairman of the Committee shall be an independent Director.

The membership of the Committee, and the Chairman of the Committee, shall be as determined by the Board from time to time.

At least one member of the Committee shall retire annually.

Any two members shall constitute a quorum and may validly conduct the business of the Committee.

The Committee shall meet as required.

The Chairman of the Committee shall provide a report to the next meeting of the Board of Directors following any meeting of the Committee, on the business of the Committee at that meeting.

At the discretion of the Chairman of the Committee, any relevant matters may be referred to a meeting of the Board of Directors for noting or decision.

REMUNERATION COMMITTEE ROLE, POWERS AND DUTIES

The Remuneration Committee of the Board shall:

- Make detailed recommendations to the Board on remuneration of, including granting of cash bonuses, share options or other equity based remuneration to, the Company's Managing Director and Chief Executive Officer and any Executive or Non-Executive Directors.
- Make recommendations to the Board in relation to the remuneration of Directors generally (both Non-Executive or Executive and the differences in nature between such roles).
- Exercise the powers of any future employee share, option and other equity based plans (Equity Plans), (but not to the exclusion of the Board or of any other person to whom any powers may be delegated).
- Approve the allotment and issue of shares, other securities that are convertible into shares or the grant of options over issued or unissued shares of the Company in connection with any of the above, **PROVIDED THAT**, where such securities are to be allotted, issued or granted for less than full consideration, the Committee must first be satisfied that:
  - The Company will receive or derive a benefit from allotting, issuing or granting those securities.
  - The primary purpose of allotting, issuing or granting those securities is to benefit the Company.
  - Any financial assistance to be provided by the Company in allotting, issuing or granting those securities will not materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors.
- Approve individual remuneration packages, short-term incentive allocations and proposed awards of shares or options to the Managing Director and Chief Executive Officer and to any Executive Directors subject to any shareholder approvals required.
- Receive and review periodic reports on management succession planning for Group Executive positions.
- Receive and review, at least annually, a report on remuneration and benefits policy and practice.
- Make annual recommendations to the full Board regarding rules for, and the effectiveness of, performance based remuneration packages including superannuation arrangements, equity participation schemes and options plans.

GENERAL REMUNERATION POLICIES

Non-Executive Directors Remuneration

Non-Executive Directors' fees are paid within an aggregate limit, which is approved by the shareholders from time to time. Since 1 January 2009 each Non-Executive Director is paid fees of A$24,000 per annum and the

Chairman receives an additional A$16,000 per annum. Prior to this date each Non-Executive Director was paid fees of A$30,000 per annum and the Chairman received an additional A$20,000 per annum.

Non-Executive Directors serve in accordance with a standard service contract, drafted by the Company's lawyers, which sets out remuneration arrangements. Retirement payments are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination.

Executive Remuneration

Senior Executives, including Executive Directors, are engaged under the terms of individual employment contracts. Such contracts are based upon standard terms drafted by the Company's lawyers.

Executive Directors do not receive any Directors' fees in addition to their employment salary and remuneration arrangements.

The monetary package is divided between a base salary and an incentive portion. Base salary is set to reflect the market salary for a position and individual of comparable responsibility and experience. Base salary is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally.

It is the policy of the Company to maintain a competitive salary structure to ensure continued availability of experienced and effective management and staff. The incentive portion is payable based upon attainment of objectives related to the Executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Company's business and financial performance and thus to shareholder value.

CASH BONUS, INCENTIVE, SHARE AND OPTION PLANS

Executive Directors may be eligible and entitled to participate in any cash bonus plans, share and option plans or other incentive plans approved by the Board from time to time. Any payment or other benefit to any Executive Directors as a result of participation in any such cash bonus, share, option or incentive plan shall be governed entirely by the rules of such plans as they may exist from time to time. Such payments or other benefits received by any Executive Directors shall be in addition to any other remuneration to which that Executive Director may be entitled.

Non-Executive Directors are ineligible to participate in any cash bonus plans, share and option plans or other incentive plans approved by the Board from time to time, unless approved by the Company's shareholders in general meeting.

Income Statements
for the financial year ended 30 June 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
Revenue from continuing operations	2	6,618	168,758	6,618	168,758
Other financial asset income	3	-	5,992,842	-	5,992,842
Finance costs - interest expense		(10,122)	-	(10,122)	
Administration		(221,899)	(398,505)	(218,612)	(398,503)
Occupancy		(113,084)	(82,593)	(113,084)	(82,593)
Employee benefits expense	4	(1,198,346)	(1,620,102)	(1,198,346)	(1,620,102)
Depreciation and amortisation expenses	4	(8,993)	(11,525)	(8,993)	(11,525)
Share of (loss)/profit from equity accounted investees	30	(1,257,701)	1,053,628	-	-
Net losses on disposal of other financial assets	4	(494,179)	-	(494,179)	-
Unrealised losses on other financial assets	4	(8,153,864)	-	(8,153,864)	-
(Loss)/profit before income tax expense		(11,451,570)	5,102,503	(10,190,582)	4,048,877
Income tax benefit/(expense)	5	1,820,167	(1,737,237)	1,325,369	(1,421,149)
(Loss)/profit from continuing operations		(9,631,403)	3,365,266	(8,865,213)	2,627,728
(Loss)/profit attributable to members of RIMCapital Limited	18	(9,631,403)	3,365,266	(8,865,213)	2,627,728
Basic earnings per share	27	**(10.879)**	**$0.0383**		
Diluted earnings per share	27	**(10.879)**	**$0.0362**		

The accompanying notes form part of these financial statements.

Balance Sheets
as at 30 June 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
Current assets					
Cash and cash equivalents	6	102,599	733,608	102,278	733,600
Trade and other receivables	7	6,094	16,218	6,094	16,227
Other financial assets at fair value through profit or loss	8	1,494,866	10,696,463	1,494,866	10,696,463
Total current assets		1,603,559	11,446,289	1,603,238	11,446,290
Non-current assets					
Trade and other receivables	7	-	-	58,200	-
Investments accounted for using the equity method	9	1,391,626	2,649,327	1,000,000	1,000,000
Other financial assets	10	-	-	1	1
Property, plant and equipment	11	35,372	44,365	35,372	44,365
Exploration assets	12	61,518	-	-	-
Total non-current assets		1,488,516	2,693,692	1,093,573	1,044,366
TOTAL ASSETS		**3,092,075**	**14,139,981**	**2,696,811**	**12,490,656**
Current liabilities					
Trade and other payables	13	81,462	373,502	74,535	373,502
Current tax liabilities	5.4	363,057	422,935	363,057	422,935
Employee benefits	14	55,060	53,812	55,060	53,812
Borrowings	15	300,000	-	300,000	-
Total current liabilities		799,579	850,249	792,652	850,249
Non-current liabilities					
Deferred tax liabilities	16	-	1,820,167	-	1,325,369
Employee benefits	14	5,606	4,580	5,606	4,580
Total non-current liabilities		5,606	1,824,747	5,606	1,329,149
TOTAL LIABILITIES		**805,185**	**2,674,996**	**798,258**	**2,180,949**
NET ASSETS		**2,286,890**	**11,464,985**	**1,898,553**	**10,310,458**
Equity					
Contributed equity	17	14,554,530	14,461,788	14,554,530	14,461,788
Reserves	18.1	1,210,994	850,428	1,210,994	850,428
Accumulated losses	18.2	(13,478,634)	(3,847,231)	(13,866,971)	(5,001,758)
TOTAL EQUITY		**2,286,890**	**11,464,985**	**1,898,553**	**10,310,458**

The accompanying notes form part of these financial statements.

Statements of Changes in Equity
for the financial year ended 30 June 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
Total equity at 1 July		11,464,985	7,249,291	10,310,458	6,832,302
Transaction costs arising from share issue	17	(30,257)	-	(30,257)	-
(Loss)/profit for the year	18.2	(9,631,403)	3,365,266	(8,865,213)	2,627,728
Total recognised income and expense		(9,661,660)	3,365,266	(8,895,470)	2,627,728
Ordinary share issue – proceeds received	17	122,999	-	122,999	-
Employee share options	18.2	360,566	850,428	360,566	850,428
TOTAL EQUITY AT 30 JUNE		2,286,890	11,464,985	1,898,553	10,310,458

The accompanying notes form part of these financial statements.

Cash Flow Statements
for the year ended 30 June 2009

	Note	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
Cash flows from operating activities					
Receipts from customers		-	-	-	-
Payments to suppliers, employees and creditors (inclusive of GST)		(1,182,013)	(1,064,628)	(1,178,358)	(1,064,627)
Interest received		5,329	114,216	5,329	114,216
Dividends received		-	54,542	-	54,542
Income taxes paid		(70,000)	(12,961)	(70,000)	(12,961)
Net cash (outflows) from operating activities	25	(1,246,684)	(908,831)	(1,243,029)	(908,830)
Cash flows from investing activities					
Payments for property, plant and equipment and exploration assets		(54,223)	(19,459)	-	(19,459)
Payments for investments		(959,665)	(12,966,466)	(959,665)	(12,966,466)
Proceeds from sale of investments		1,226,567	12,455,488	1,226,567	12,455,488
Loan from associate		300,000	-	300,000	-
Loans to subsidiaries		-	-	(58,191)	(9)
Net cash inflows/(outflows) from investing activities		512,679	(530,437)	508,711	(530,446)
Cash flows from financing activities					
Ordinary share issue – proceeds received		122,999	-	122,999	-
Transaction costs arising from share issue		(20,003)	-	(20,003)	-
Net cash inflows from financing activities		102,996	-	102,996	-
Net decrease in cash held		(631,009)	(1,439,268)	(631,322)	(1,439,276)
Cash and cash equivalents at 1 July		733,608	2,172,876	733,600	2,172,876
Cash at 30 June	6	102,599	733,608	102,278	733,600

The accompanying notes form part of these financial statements.

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, accounting interpretations issued by the AASB Interpretations Agenda Committee, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

1.1 BASIS OF PREPARATION

The principal accounting policies adopted in the preparation of this financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the consolidated financial statements and notes of the Company comply with International Financial Reporting Standards (IFRS).

1.2 BASIS OF CONSOLIDATION

1.2.1 SUBSIDIARIES

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the interim report from the date that control commences until the date that control ceases.

1.2.2 ASSOCIATES

Associates are all entities over which the Group has significant influence but not control. The interest in an associate company is accounted for in the consolidated financial statements using the equity method and is carried at cost by the parent entity. Under the equity method the share of the profits or losses of the associate company is recognised in the Income Statement, and the share of movements in reserves is recognised in reserves in the Balance Sheet.

1.3 FOREIGN CURRENCY TRANSLATION

1.3.1 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is RIMCapital Limited's functional and presentation currency.

1.3.2 GROUP COMPANIES

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates

prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

- All resulting exchange differences are recognised as a separate component of equity.

Intragroup balances are eliminated in preparing the consolidated financial statements.

1.4 RECEIVABLES AND REVENUE RECOGNITION

Trade debtors are recognised for the major business activities as follows:

- all trade debtors are recognised at the amounts receivable, as they are due for settlement no more than 30 days from the date of recognition.

- income receivable on financing and investment activities is accrued in accordance with the terms and conditions of the underlying financial instrument.

- collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where there is some doubt over collection.

- Interest revenue is recognised on an accruals basis. Revenue from dividends is recognised on the date the securities (shares) are quoted ex-dividend.

1.5 INCOME TAXES

Income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by 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, and to unused tax losses. In addition, current and deferred taxes attributable to amounts recognised directly in equity are also recognised directly in equity.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

RIMCapital Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation as of 30 June 2003. As a consequence, all members of the tax consolidated Group are taxed as a single entity from that date. The head entity within the tax consolidated Group is RIMCapital Limited.

1.6 IMPAIRMENT OF ASSETS

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the income statement unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement.

1.7 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment is shown at cost less accumulated depreciation and amortisation which is spread over the estimated life of those assets. The estimated useful lives are as follows:

Plant and equipment, and leasehold improvements	2– 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount (Note 1.6). Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

1.8 EXPLORATION AND EVALUATION EXPENDITURE

Expenditure on acquisition, exploration and evaluation relating to an area of interest is carried forward where rights to tenure of the area of interest are current and;

i) it is expected that expenditure will be recouped through successful development and exploitation of the area of interest or alternatively by its sale and/or;
ii) exploration and evaluation activities are continuing in an area of interest but at balance date have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves.

Where the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised "mine properties in development". Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

If facts and circumstances suggest that the carrying amount of any recognised exploration and evaluation assets may be impaired, the entity must perform impairment tests on those assets in accordance with AASB 136 "Impairment of Assets'. Impairment of exploration and evaluation assets is to be assessed at a cash generating unit or group of cash generating units level provided this is no larger than an area of interest. Any impairment loss is to be recognised as an expense in accordance with AASB 136. Accumulated costs in relation to an abandoned area are written off to the income statement in the period in which the decision to abandon the area is made.

1.9 CASH AND CASH EQUIVALENTS

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value net of bank overdrafts. When incurred, bank overdrafts are shown within borrowings in current liabilities on the Balance Sheet.

1.10 INVESTMENTS AND OTHER FINANCIAL ASSETS

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

1.10.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short term and the asset is subject to frequent changes in fair value. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within twelve months of the balance sheet date.

Financial assets at fair value through profit or loss are carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value are included in the income statement in the period in which they arise (refer Notes 3 and 4).

The fair value of investments traded in active markets is determined by reference to quoted market bid prices at balance date. The fair value of investments not traded in an active market is determined using valuation techniques including reference to recent arm's length transactions, net asset backing and current market value of another similar instrument.

1.10.2 **LOANS AND RECEIVABLES**

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than twelve months after balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the balance sheet.

Receivables are stated at their cost less impairment losses.

1.10.3 **HELD-TO-MATURITY INVESTMENTS**

Held-to-maturity investments are non derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

1.10.4 **AVAILABLE-FOR-SALE FINANCIAL ASSETS**

Available for sale financial assets, comprising principally marketable equity securities, are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months.

Available-for-sale financial assets are carried at fair value. Unrealised gains and losses arising from changes in fair value are recognised in equity. When sold the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

1.11 **BORROWINGS**

Borrowings are initially recognised at fair value, net of transactions costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

1.12 **EARNINGS PER SHARE**

1.12.1 ***BASIC EARNINGS PER SHARE***

Basic earnings per share is determined by dividing the net result attributable to members of RIMCapital Limited by the weighted average number of ordinary shares outstanding during the financial year.

1.12.2 ***DILUTED EARNINGS PER SHARE***

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

1.13 EMPLOYEE BENEFITS

1.13.1 *ACCUMULATION SUPERANNUATION FUNDS*

Obligations for contributions to accumulation superannuation funds are recognised as an expense in profit or loss when they are due.

1.13.2 *SHORT-TERM BENEFITS*

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the consolidated entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the consolidated entity as the benefits are taken by the employees.

1.13.3 *LONG SERVICE LEAVE*

The liability for long service leave is recognised as an employee benefit and measured as the present value of expected payments to be made in respect of services provided by employees up to the reporting date.

1.13.4 *SHARE BASED PAYMENT BENEFITS*

Share based compensation benefits are provided to employees via the Managing Director & Chief Executive Officer Share Option Plan and the Employee and Executive Share Option Plan. Information relating to these Plans is set out in the Directors' Report and Note 28.

The fair value of options granted under the Plans is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The fair value of the options is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (e.g. profitability or transaction specific targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the income statement with a corresponding adjustment to equity.

1.14 LEASE PAYMENTS

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

1.15 GOODS AND SERVICES TAX

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

1.16 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

- *AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8* (effective from 1 January 2009)

  AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Group will adopt AASB 8 from 1 July 2008. Application of AASB 8 may result in different segments, segment results and types of information being reported in the segment note of the financial report. However, at this stage it is not expected to affect any of the amounts recognised in the financial statements.

- *Revised AASB 101 Presentation of Financial Statements. AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 and AASB 2007-10 Further Amendments to Australian Accounting Standards arising from AASB 101* (effective from 1 January 2009)

  It requires the presentation of a statement of comprehensive income, and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Group intends to apply the revised standards from 1 July 2009, i.e. for 30 June 2010 financial statements.

- *AASB 2008-1 Amendments to Australian Accounting Standards – Share-based Payments: Vesting Conditions and Cancellations* (effective 1 January 2009)

  AASB 2008-1 changes the measurement of share-based payments that contain non-vesting conditions. The Group will apply AASB 2008 - 1 from 1 July 2009 i.e. for 30 June 2010 financial statements. AASB 2008 - 1 is not expected to have any impact on the Company's/Group's financial report.

- *Revised AASB 127 Consolidated & Separate Financial Statements* (effective 1 July 2009)

The revised AASB 127 changes the accounting for investments in subsidiaries. Key changes include:

- The re-measurement to fair value of any previous / retained investment when control is obtained / lost, with any resultant gain or loss being measured in profit or loss;

- the treatment of increases in ownership interest after control is obtained as transactions with equity holders in their capacity as equity holders.

The Group will apply the revised AASB 127 from 1 July 2009 i.e. for the 30 June 2010 financial statements. The revised Standard is not expected to have any impact on the Group's financial report.

- *AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB127* (effective 1 July 2009)

AASB 2008-3 amends a number of Australian Accounting Standards and Interpretations. The Group will apply AASB 2008-3 from 1 July 2009 i.e. for the 30 June 2010 financial statements. The Standard is not expected to have any impact on the Group's financial report.

1.17 USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The only area involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, is in relation to share based payments (Note 28).

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
2. REVENUE				
From continuing operations				
Interest	6,618	114,216	6,618	114,216
Dividends	-	54,542	-	54,542
	6,618	168,758	6,618	168,758
3. OTHER FINANCIAL ASSET INCOME				
Net profit on disposal of other financial assets	-	2,677,896	-	2,677,896
Unrealised gains on other financial assets	-	3,314,946	-	3,314,946
	-	5,992,842	-	5,992,842
4. EXPENSES				
Depreciation of property, plant and equipment	8,993	11,525	8,993	11,525
Employee benefits expense				
Salaries and wages and other employee expenses	734,198	630,170	734,198	630,170
Share based payment expense	360,566	850,428	360,566	850,428
Contributions to accumulation superannuation funds	101,308	100,582	101,308	100,582
Provision for employee benefits	2,274	38,922	2,274	38,922
	1,198,346	1,620,102	1,198,346	1,620,102
Rental expense relating to operating leases				
Minimum lease payments	96,831	71,021	96,831	71,021
Other financial asset losses				
Net losses on other financial assets	494,179	-	494,179	-
Unrealised losses on other financial assets	8,153,864	-	8,153,864	-
	8,648,043	-	8,648,043	-

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

5. INCOME TAX (BENEFIT)/EXPENSE

	Consolidated 2009 $	Consolidated 2008 $	Parent entity 2009 $	Parent entity 2008 $
5.1 INCOME TAX (BENEFIT)/EXPENSE				
Current tax	-	422,935	-	422,935
Deferred tax	(1,820,167)	1,311,968	(1,325,369)	995,880
Under provided in prior years	-	2,334	-	2,334
Income tax (benefit)/expense attributable to (loss)/profit from continuing operations	(1,820,167)	1,737,237	(1,325,369)	1,421,149
Deferred income tax (benefit)/expense included in income tax expense comprises:				
(Decrease)/increase in deferred tax liabilities	(1,820,167)	1,311,968	(1,325,369)	995,880
5.2 NUMERICAL RECONCILIATION OF INCOME TAX (BENEFIT)/EXPENSE TO PRIMA FACIE TAX PAYABLE				
(Loss)/profit from ordinary activities before income tax expense	(11,451,570)	5,102,503	(10,190,582)	4,048,877
Income tax (benefit)/expense calculated at 30% (2008 – 30%)	(3,435,471)	1,530,751	(3,057,175)	1,214,663
Tax effect of permanent differences:				
Other non-deductible items	1,114,947	204,152	1,231,449	204,152
Income tax adjusted for permanent differences	(2,320,524)	1,734,903	(1,825,726)	1,418,815
Under provision in prior years	-	2,334	-	2,334
Tax effect of losses not recognised	500,357	-	500,357	-
Income tax expense	(1,820,167)	1,737,237	(1,325,369)	1,421,149
5.3 TAX LOSSES				
Unused revenue losses for which no deferred tax asset has been recognised	1,174,109	-	1,174,109	-
Unused capital losses for which no deferred tax asset has been recognised	493,746	-	493,746	-
	1,667,855	-	1,667,855	-
Potential tax benefit at the Australian tax rate of 30% (2008: 30%)	500,357	-	500,357	-

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$	$	$	$
5.4 CURRENT TAX LIABILITY				
Opening balance at 1 July	422,935	10,627	422,935	10,627
Under provision for prior year	-	2,334	-	2,334
Current year tax payable	-	422,935	-	422,935
Income tax paid	(70,000)	(12,961)	(70,000)	(12,961)
Interest charged	10,122	-	10,122	-
Closing balance 30 June	363,057	422,935	363,057	422,935
5.5 FRANKING CREDITS				
Franking credits available for subsequent financial years based on a tax rate of 30% (2008 - 30%)Balance at 1 July	493,155	493,155	493,155	493,155

The franking account is stated on a tax paid basis. The balance comprises the franking account at year end adjusted for:

(a) Franking credits that will arise from the payment of the amount of the provision for income tax;
(b) Franking debits that will arise from the payment of dividends recognised as a liability at year end; and
(c) Franking credits that the entity may be prevented from distributing in subsequent years.

The ability to utilise the franking credits is dependent upon there being sufficient profits to declare dividends.

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$	$	$	$
6. CASH AND CASH EQUIVALENTS				
Current				
Cash at bank and on hand	63,476	673,617	63,155	673,609
Deposits at call	39,123	59,991	39,123	59,991
	102,599	733,608	102,278	733,600
7. TRADE AND OTHER RECEIVABLES				
Current				
Other debtors	6,094	16,218	6,094	16,218
Loan to subsidiary (Note 19)	-	-	-	9
	6,094	16,218	6,094	16,227
Non-current				
Loan to subsidiary (Note 19)	-	-	58,200	-
8. OTHER FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
Current				
Shares in companies listed on a prescribed stock exchange	1,494,866	10,296,463	1,494,866	10,296,463
Shares in non-listed companies	-	400,000	-	400,000
Total listed and non-listed equity securities	1,494,866	10,696,463	1,494,866	10,696,463
9. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD				
Non-current				
Associate company – CRMSC (Australia) Pty Limited (Note 30)	1,391,626	2,649,327	1,000,000	1,000,000
10. OTHER FINANCIAL ASSETS				
Non-current				
Shares in subsidiaries (Note 19)	-	-	1	1

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$	$	$	$
11. PROPERTY, PLANT & EQUIPMENT				
Non-current				
Plant and equipment & furniture – at cost	167,035	167,035	167,035	167,035
Less accumulated depreciation	(131,663)	(122,670)	(131,663)	(122,670)
	35,372	44,365	35,372	44,365
Plant and equipment & furniture				
Carrying value at 1 July	44,365	36,431	44,365	36,431
Additions	-	19,459	-	19,459
Disposals	-	-	-	-
Depreciation	(8,993)	(11,525)	(8,993)	(11,525)
Carrying value at 30 June	35,372	44,365	35,372	44,365
12. EXPLORATION ASSETS				
Non-current				
Exploration Assets - at cost	61,518	-		
Exploration Assets				
Carrying value at 1 July	-	-	-	-
Additions	61,518	-	-	-
Disposals	-	-	-	-
Carrying value at 30 June	61,518	-	-	-
13. TRADE AND OTHER PAYABLES				
Current				
Trade creditors	55,690	304,807	55,690	304,807
Other creditors	25,772	68,695	18,845	68,695
	81,462	373,502	74,535	373,502

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

	Consolidated		Parent entity	
	2009	2008	2009	2008
	$	$	$	$
14. EMPLOYEE BENEFITS				
Current				
Liability for annual leave	55,060	53,812	55,060	53,812
Non-current				
Liability for long service leave	5,606	4,580	5,606	4,580
15. BORROWINGS				
Current				
Loan from associate company (Note 30)	300,000	-	300,000	-
16. DEFERRED TAX LIABILITIES				
Non-current				
The balance comprises temporary differences attributable to:				
Amounts recognised in profit and loss				
Financial assets at fair value through profit and loss	-	1,820,167	-	1,325,369
Opening balance 1 July	1,820,167	508,199	1,325,369	329,489
(Credited)/charged to the income statement	(1,820,167)	1,311,968	(1,325,369)	995,880
Closing balance 30 June	-	1,820,167	-	1,325,369
17. CONTRIBUTED EQUITY	**No.**	**No.**	**$**	**$**
Share Capital				
Ordinary shares	90,710,667	87,967,815	14,554,530	14,461,788
Movements in share capital				
Opening balance 1 July	87,967,815	87,967,815	14,461,788	14,461,788
Option conversion – 15 April 2009 at 6.5c per share	900,000	-	58,500	-
Share purchase plan issue – 12 June 2009 at 3.5c per share	1,842,852	-	64,499	-
Transaction costs arising from share issue			(30,257)	-
Closing balance 30 June	90,710,667	87,967,815	14,554,530	14,461,788

The funds of all issues were used for general working capital purposes.

Options

Information relating to the Managing Director & Chief Executive Officer Share Option Plan ("MDSOP") and the Employee and Executive Share Option Plan ("EESOP") including details of options issued, exercised and lapsed during the financial year and options outstanding at the end of the financial year are set out in Note 28.

Capital Risk Management

The Group's and parent entity's objective in managing capital is to provide shareholders with capital growth over the medium to long term and, over time, the provision of a return to shareholders through the payment of fully franked dividends.

At balance date the Group's only external borrowing was $300,000 (2008: Nil) from its associate company, CRMSC (Australia) Pty Limited. That borrowing is unsecured, interest free and at call. There are no externally imposed capital requirements.

While there are no imminent plans to raise new capital in the equity market through the issue of new shares (particularly in light of the state of global equity market conditions at the date of this annual report), the Board recognises that, in order to pursue its corporate strategy of becoming a significant mining and investment company, in the future such new equity issuances are highly likely be a part of its capital management strategy.

	Consolidated		Parent entity	
	2009 $	2008 $	2009 $	2008 $
18. RESERVES AND ACCUMULATED LOSSES				
18.1 SHARE BASED PAYMENTS RESERVE				
Balance at 1 July	850,428	-	850,428	-
Share based payments recognised in respect of options granted	360,566	850,428	360,566	850,428
Balance at 30 June	1,210,994	850,428	1,210,994	850,428
18.2 ACCUMULATED LOSSES				
Accumulated losses at 1 July	(3,847,231)	(7,212,497)	(5,001,758)	(7,629,486)
Net (loss)/profit attributable to members of RIMCapital Limited	(9,631,403)	3,365,266	(8,865,213)	2,627,728
Accumulated losses at 30 June	(13,478,634)	(3,847,231)	(13,866,971)	(5,001,758)

18.3 **NATURE AND PURPOSE OF RESERVES**

SHARE BASED PAYMENTS RESERVE

The share based payments reserve is used to recognise the fair value of options issued to Directors and employees but not exercised.

19. INVESTMENT IN SUBSIDIARIES

Name of Subsidiary	Country of incorporation	Class of shares	Equity holding		Cost of parent entity's investment	
			2009 %	2008 %	2009 $	2008 $
RMC Iron Pty Limited	Australia	Ordinary	100	100	1	1

RMC Iron Pty Limited was incorporated on 14 November 2007 as a wholly owned subsidiary of RIMCapital Limited.

The Company's former 100% controlled foreign entity, RIMCapital Advisors Singapore Pte Ltd, was placed into voluntary liquidation on 23 October 2006 and consolidated up until that date. This entity was formally liquidated on 9 July 2007.

Details of transactions with subsidiaries are set out in Note 23.

	Consolidated		Parent entity	
	2009 $	2008 $	2009 $	2008 $
20. REMUNERATION OF AUDITORS				
Amounts received, or due and receivable by:				
The current auditor of the parent entity (Nexia Court & Co – Australian Firm)				
- for auditing and reviewing the financial reports of the entity or any entity in the consolidated entity	27,593	26,031	27,593	26,031
- for tax services	1,052	2,212	1,052	2,212

21. CONTINGENT LIABILITIES

The Company has lodged a $17,560 deposit (2007 – $17,560) as security for performance guarantees in relation to a lease of premises.

22. COMMITMENTS FOR EXPENDITURE

	Consolidated		Parent entity	
	2009 $	2008 $	2009 $	2008 $
Operating lease commitments				
Future operating lease commitments contracted for at balance date but not provided for in the financial statements				
- Payable within one year	75,243	42,570	75,243	42,570
- Payable later than one year but not later than 2 years	75,243	-	75,243	-
- Payable between 2 and 5 years	43,892	-	43,892	-
Total operating lease liability	194,378	42,570	194,378	42,570
Representing non-cancellable operating leases	194,378	42,570	194,378	42,570

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

	Consolidated		Parent entity	
	2009 $	2008 $	2009 $	2008 $
Exploration lease commitments				
Future exploration expenditure commitments contracted for at balance date but not provided for in the financial statements				
- Payable within one year	28,482	-	-	-
- Payable later than one year but not later than 2 years	70,000	-	-	-
- Payable between 2 and 5 years	210,000	-	-	-
Total exploration expenditure liability	308,482	-	-	-
Representing non-cancellable liabilities	28,482	-	-	-

23. KEY MANAGEMENT PERSONNEL AND RELATED PARTY INFORMATION

23.1 DIRECTORS

The names of persons who were Directors of RIMCapital Limited at any time during the year ended 30 June 2009 are:

- Pieter W. Greeff — Non- Executive Chairman (appointed 1 August 2007 and continuing)
- Michael J. Bogue — Managing Director and Chief Executive Officer (appointed 4 September 2006 and continuing)
- Malcolm C. Hancock — Non- Executive Director (appointed 11 September 2007 and continuing)

23.2 OTHER KEY MANAGEMENT PERSONNEL

The following person also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly during the financial year:

James Li – Executive General Manager – Asia — Employed by RIMCapital Limited and CRMSC (Australia) Pty Limited, an associate company which is equity accounted for in the consolidated accounts

The above person was also a key management person during the year ended 30 June 2008.

23.3 KEY MANAGEMENT PERSONNEL REMUNERATION

	Consolidated		Parent entity	
	2009 $	2008 $	2009 $	2008 $
Short term employee benefits	599,950	497,886	599,950	497,886
Post- employment benefits	89,905	85,418	89,905	85,418
Share based payments	349,362	831,593	349,362	831,593
	1,039,217	1,414,897	1,039,217	1,414,897

Details of Directors' and key personnel remuneration are set out in the Remuneration Report in the Directors' Report.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

23.4 EQUITY INSTRUMENTS

The movement during the reporting period in the number of ordinary shares and options of RIMCapital Limited held directly, indirectly or beneficially, by each Director or key management personnel, including their personally-related entities is as follows:

	Held at 1 July 2008	Acquired	Disposed	Held at 30 June 2009
Shares				
Pieter W. Greeff	100,000	242,857	-	342,857
Michael J. Bogue	6,249,450	1,064,899	-	7,314,349
Malcolm C. Hancock	100,000	182,857	-	282,857
James Li	456,000	142,857	-	598,857
Options				
Michael J. Bogue	13,195,172	-	900,000	12,295,172
James Li	1,200,000	750,000	-	1,950,000

On August 1, 2007 the Company issued an aggregate 13,195,172 options to Mr Michael J. Bogue pursuant to the terms of the Managing Director and Chief Executive Officer Share Option Plan approved by shareholders in general meeting on 11 July 2007. Approval for the issue of these options was obtained under Australian Securities Exchange Listing Rule 10.14. On the same day the Company also issued an aggregate 2,000,000 options to Group Company employees (including 1,200,000 to Mr James Li) pursuant to the terms of the Employee and Executive Share Option Plan approved by shareholders in general meeting on 11 July 2007.

On November 3, 2008 the Company issued an additional 1,150,000 options to Group Company employees (including 750,000 to Mr James Li) pursuant to the EESOP. Since the original issue of the EESOP options to the date of this report a total of 850,000 EESOP options have been forfeited.

The terms of these options are set out in the Directors' Report and Note 28.

23.5 OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

There were no other transactions with key management personnel, or their personally-related entities.

23.6 TRANSACTIONS WITH SUBSIDIARIES

Details of subsidiaries are set out in Note 19.

- the Company had loan transactions with and provided accounting and administrative assistance to a subsidiary during the year ended 30 June 2009.

- transactions by the Company with the subsidiary consist of the transfer of funds amongst the entities for day-to-day operations, financing, loan advances and repayments. All dealings with the subsidiary are on commercial terms and conditions, except loans, which are made to those entities free of interest.

Transactions by the Company with subsidiaries were:

	2009 $	2008 $
Net movement in amount due from subsidiaries	58,191	9

The Company's former 100% foreign subsidiary, RIMCapital Advisors Singapore Pte Ltd, was placed into voluntary liquidation on 23 October 2006 and consolidated up until that date. This entity was formally liquidated on 9 July 2007.

23.7 **TRANSACTIONS WITH ASSOCIATES**

Details of associates are set out in Note 30.

- the Company had a loan transaction with an associate company during the year ended 30 June 2009. This loan was provided to the Company on an unsecured, at call and interest free basis.

Transactions by the Company with associate were:

	2009 $	2008 $
Net movement in amount due to associates	300,000	-

24. SEGMENT INFORMATION

The consolidated entity consists of one business segment operating predominately in Australia and investing in Australian publicly listed and non-listed companies associated with the global natural resources, infrastructure and related sectors.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

25. RECONCILIATION OF (LOSS)/PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Consolidated		Parent Entity	
		2008 $		2008 $
(Loss)/profit	(9,631,403)	3,365,266	(8,865,213)	2,627,728
Depreciation	8,993	11,525	8,993	11,525
Investor's share of loss/(profit) of associate	1,257,701	(1,053,628)	-	-
Net loss/(gain) on disposal of investments	494,179	(2,677,896)	494,179	(2,677,896)
Impairment/(increase) in value of other financial assets	8,153,864	(3,314,946)	8,153,864	(3,314,946)
Share based payment expense	360,566	850,428	360,566	850,428
Changes in Assets and Liabilities				
Decrease in receivables	115	96,730	115	96,730
(Decrease)/increase in trade and other creditors	(12,934)	50,492	(12,560)	50,491
Increase in employee benefits	2,274	38,922	2,274	38,922
(Decrease)/increase in deferred tax liability	(1,820,167)	1,311,968	(1,325,369)	995,880
(Decrease)/increase in current tax liability	(59,878)	412,308	(59,878)	412,308
Net cash outflows from operating activities	(1,246,684)	(908,831)	(1,243,029)	(908,830)

26. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to the financial year end at 30 June 2009, the Company was pleased to announce that its joint venture partner China Railway Materials Commercial Corp. Group ("CRM") had agreed to make a direct A$27.2 million equity investment into United Minerals Corporation NL (ASX Code: UMC). This 11.38% equity investment is subject to certain preconditions including Chinese and Australian regulatory approvals and the two parties entering into a long term iron ore offtake agreement covering 3.0 million tonnes per annum for 10 years of future production from UMC's Railway Project in the Pilbara region of Western Australia.

For services rendered by the Company in relation to this equity investment transaction, UMC has agreed to pay a 3.0% gross fee on the placement funds to the Company payable in the form of UMC shares at the placement price of $1.35 per share at completion representing 604,444 UMC shares. After costs associated with this transaction the Company will hold a net 530,370 fully paid ordinary shares in UMC valued at $716,000 at the placement price.

There have been no other transactions or events of a material and unusual nature likely, in the opinion of the Directors of the Company to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

27. EARNINGS PER SHARE

	Consolidated 2009 Cents	Consolidated 2008 Cents
Basic earnings per share	(10.879)	$0.0383
Diluted earnings per share	(10.879)	$0.0362

	Consolidated 2009 Number	Consolidated 2008 Number
Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	88,536,015	87,967,815
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	88,536,015	93,014,299

	Consolidated 2009 $	Consolidated 2008 $
Earnings used to calculate basic earnings per share	(9,631,403)	3,365,266
Earnings used to calculate diluted earnings per share	(9,631,403)	3,365,266

28. SHARE-BASED PAYMENTS

On August 1, 2007 the Company issued an aggregate of 13,195,172 options pursuant to the terms of the Managing Director and Chief Executive Officer Share Option Plan ("MDSOP") approved by shareholders in general meeting on 11 July 2007. Approval for the issue of these options was obtained under Australian Securities Exchange Listing Rule 10.14. On the same day the Company also issued an aggregate of 2,000,000 options to Group Company employees pursuant to the terms of the Employee and Executive Share Option Plan ("EESOP") approved by shareholders in general meeting on 11 July 2007.

On November 3, 2008 the Company issued an additional 1,150,000 options to Group Company employees (including 750,000 to Mr James Li) pursuant to the EESOP. Since the original issue of the EESOP options to the date of this report a total of 850,000 EESOP options have been forfeited.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

Summaries of options Granted under these plans and the terms of these plans are set out below.

Option Plan	Grant Date	Expiry Date	Exercise Price	Balance at 1 July 2008 No.	Granted during the year No.	Exercised during the year No.	Forfeited during the year No.	Balance at 30 June 2009 No.	Vested & exercisable at 30 June 2009 No.
Consolidated and Parent Entity – 2009									
MDSOP – Tranche 1	1/8/2007	1/8/2012	6.5c	4,195,172	-	900,000	-	3,295,172	3,295,172
MDSOP – Tranche 2	1/8/2007	1/8/2012	9.0c	4,500,000	-	-	-	4,500,000	-
MDSOP - Tranche 3	1/8/2007	1/8/2012	12.0c	4,500,000	-	-	-	4,500,000	-
EESOP	1/8/2007	1/8/2012	23.0c	1,950,000	-	-	400,000	1,550,000	450,000
EESOP	3/11/2008	3/11/2011	20.0c	-	1,150,000	-	200,000	950,000	-

For the 900,000 options exercised during the year the weighted average share price at the date of exercise was 7.3 cents per share.

The benefit provided under the MDSOP and EESOP have been valued on the following assumptions:

- 3 (2008:5) year life and there is no early exercise of options;
- no dividends are paid during the year;
- weighted average share price of 25 cents (2008: 17 cents);
- expected volatility factor of 30% based on historic volatility and current illiquidity of the Company’s shares; and
- Risk free interest rate of 5.25% (2008: 6.25%).

The options referred to above are subject to certain restrictions and, in the case of 1,200,000 options held by Mr James Li, certain performance conditions set out in the Remuneration Report contained in the Directors’ Report. Details of the rules of the EESOP and MDSOP are also included in the Remuneration Report.

29. FINANCIAL INSTRUMENTS

29.1 FINANCIAL RISK MANAGEMENT

The Group’s and parent entity’s financial instruments consist of deposits with banks, trade receivable and payables, investments at fair value and loans to and from subsidiaries and associates. Derivative financial instruments are not currently used by the Group.

Senior executives meet regularly to analyse and monitor the financial risk associated with the financial instruments used by the Group and parent entity. The Managing Director and Chief Executive Officer reports regularly to the Board which appraises the adequacy of the risk management strategies and also creates policies for risk management.

The Group’s and parent entity’s activities expose it to market risk (including price risk and interest rate risk), credit risk and liquidity risk. The Group does not have any significant exposure to foreign exchange risk.

29.2 PRICE RISK

Equity market price risk arises from the Group's and parent entity's investment portfolio. These investments are classified on the balance sheet as financial assets at fair value through profit or loss. The maximum risk resulting from these investments is determined by the fair value of the financial instruments. The Group and parent entity is not exposed to direct commodity price risk by way of direct investment in underlying commodities. The Group and parent entity is exposed to indirect commodity price risk by way of its investment portfolio which is predominately concentrated on companies involved in the global natural resources, infrastructure and related sectors.

To manage its price risk from investments in equity securities, the Group diversifies its portfolio. The Managing Director and Chief Executive Officer closely monitors the performance and returns of existing and potential securities in accordance with the Group's investment guidelines.

The majority of the Group's and parent entity's equity investments are publicly traded on the ASX (Note 8). The price risk for unlisted securities is immaterial in terms of the possible impact on profit or loss or total equity in future years as they have been written down to nil carrying value.

An analysis of the effect of the movement in prices of equity investments (excluding unlisted investments) on the profit and equity of the Group and parent entity as at 30 June with all other variables remaining constant is as follows:

	Consolidated		Parent Entity	
	2009 $	**2008 $**	**2009 $**	**2008 $**
Increase/(decrease) in loss/profit after tax due to:				
- increase in equity prices by 5%	(95,546)	231,817	(106,530)	156,286
- decrease in equity prices by 5%	95,546	(231,817)	106,530	(156,286)

	Consolidated		Parent Entity	
	2009 $	**2008 $**	**2009 $**	**2008 $**
Increase/(decrease) in equity after tax due to:				
- increase in equity prices by 5%	95,564	231,817	106,530	156,286
- decrease in equity prices by 5%	(95,456)	(231,817)	(106,530)	(156,286)

Further information on the exposure of the Group as at 30 June 2009 to particular commodities including the risk arising from investments accounted for using the equity method (excluding cash holdings in the Company and the associate company) is set out below:

Sector	2009 % of total investment	2009 $	2008 % of total investment	2008 $
Bulk Commodities	95.1	2,185,854	69.4	8,954,018
Base Metals	1.6	37,344	0.3	40,753
Base & Precious Metals	3.3	74,750	24.7	3,192,738
Precious Metals	-	-	1.7	219,750
Oil & Gas	-	-	0.8	99,840
Infrastructure	-	-	3.1	400,000
	100.0	2,297,948	100.0	12,907,099

29.3 INTEREST RATE RISK

The Group's and parent entity's only borrowing is $300,000 (2008: Nil) from its associate company CRMSC (Australia) Pty Limited. That borrowing is unsecured and interest free and therefore there is no exposure to interest rate risk associated with this debt. Interest bearing assets are all short term liquid assets and the only interest rate risk is the effect on interest income by movements in the interest rate. There is no other material interest rate risk.

29.4 LIQUIDITY RISK

The Group and parent entity manages liquidity risk by maintaining cash reserves, having limited borrowings or debt and having, to the extent possible, the investments in instruments that are tradeable in highly liquid markets. Strategic investments or investments viewed as having attractive value creating investment criteria or characteristics may be in less liquid listed securities. In these instances, such relatively less liquid investments are monitored more closely and are only entered into if the risk/reward and overall investment return characteristics are perceived as likely to adequately compensate for the additional liquidity risk undertaken at any given time.

As at 30 June 2009 all of the Group and parent entity's investment portfolio was invested in companies listed on the Australian Securities Exchange Limited. As at 30 June 2008 $400,000 was invested in an unlisted company.

All trade and other payables are expected to be paid within one year of balance date.

29.5 CREDIT RISK

The Group's and parent entity's credit risk primarily arises from cash and deposits with Australian ADIs. The credit risk of financial assets of the Group and parent entity which have been recognised on the balance sheet, other than investments in shares, is generally the carrying amount, net of any provision for doubtful debts. There is no collateral or security held for those assets at balance date. There are no financial assets that are past due or impaired.

29.6 NET FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying amount of the Group's and parent entity's financial assets and financial liabilities in the financial statements approximates their fair values as at balance date.

30. ASSOCIATE COMPANY

The Company has a 50% investment in an associate company, CRMSC (Australia) Pty Limited, with a subsidiary of China Railway Materials Commercial Corporation. This associate company is in the business of seeking investment opportunities in the Australian resources industry, investments and commodities trading, import and export of mineral resources, railway transportation materials and related products. During the year ended 30 June 2009, CRMSC (Australia) Pty Limited principal activity related to investments in the Australian resources sector.

For the year ended 30 June 2009 the associate company contributed $1,257,701 in losses (2008: $1,053,628 in profits) to the consolidated entity's result.

The carrying amount of the investment in the associate company is set out in Note 9.

Transactions with associates are set out in Note 23.

The following is a summary of the Company's 50% share in the associate company:

	Consolidated	
	2009	**2008**
	$	**$**
Current assets	1,243,751	3,306,290
Non-current assets	152,302	4,592
Total assets	1,396,053	3,310,882
Current liabilities	4,427	14,152
Non-current liabilities	-	647,403
Total liabilities	4,427	661,555
Net Assets	**1,391,626**	**2,649,327**
Revenue	163,454	1,786,062
Expenses	(1,421,155)	(732,434)
(Loss)/profit after tax	**(1,257,701)**	**1,053,628**

DIRECTORS' DECLARATION

In the opinion of the directors of RIMCapital Limited:

(a) the financial statements and notes, set out on pages 30 to 57, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2009, and of their performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2009.

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

Pieter W. Greeff
Non-Executive Chairman

Michael J. Bogue
Managing Director &
Chief Executive Officer

Sydney
Dated: **25 September 2009**

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INDEPENDENT AUDITORS' REPORT
TO MEMBERS OF RIMCAPITAL LIMITED

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of RIMCapital Limited (the 'Company') which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity, and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes (1 to 30), and the directors' declaration, (set out on pages 30 to 58), of the Group comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

We have also audited the remuneration disclosures contained in the directors' report. As permitted by the *Corporations Regulations 2001*, the company has disclosed information about the remuneration of directors and executives ("remuneration report"), required by Australian Accounting Standard AASB 124 *Related Party Disclosures*, under the heading "remuneration report" in pages 10 to 16 of the directors' report and not in the financial report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORT AND THE AASB 124 REMUNERATION DISCLOSURE CONTAINED IN THE DIRECTORS' REPORT

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1.1, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with Australian Equivalents to International Financial Reporting Standards ensures that the financial report of the Group and the Company, comprising the financial statements and notes, complies with International Financial Reporting Standards.

The directors of the Company are also responsible for the remuneration disclosures contained in the directors' report.

AUDITORS' 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. These Auditing 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 auditors' judgment, 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 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. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of RIMCapital Limited on 25 September 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

AUDITORS' OPINION ON THE FINANCIAL REPORT

In our opinion:

(a) the financial report of RIMCapital Limited is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Company's and the Group's financial position as at 30 June 2009 and of their performance for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report of the Group and Company also comply with International Financial Reporting Standards as disclosed in note 1.1.

AUDITORS' OPINION ON THE AASB REMUNERATION DISCLOSURES CONTAINED IN THE DIRECTORS' REPORT

In our opinion, the remuneration disclosures that are contained in pages 10 to 16 of the directors' report comply with Australian Accounting Standard AASB 124.

Nexia Court & Co.

Nexia Court & Co
Chartered Accountants

D Gallery

David Gallery
Partner

Sydney
Dated: **25 September 2009**

CORPORATE INFORMATION – AS AT 15 SEPTEMBER 2009

CORPORATE INFORMATION

1. CORPORATE GOVERNANCE

Refer to statements on pages 19 to 29.

2. SUBSTANTIAL SHAREHOLDERS

The following substantial shareholders have been noted from relevant disclosures lodged with the Company and ASX.

Name of Shareholder	Number of shares held	Percentage of issued shares
M A Hine & Ass Pty Ltd	12,000,000	13.64%
Sun Hung Kai Investment Services Limited	11,265,379	12.81%
Mr Michael Joseph Bogue	7,171,492	8.07%
DV Nominees Pty Ltd	6,165,000	7.01%
Mr Jaime Che	4,790,000	5.45%
	40,179,342	46.98%

3. NUMBER OF SHAREHOLDERS AND OPTION HOLDERS

SHARES:

As at 15 September 2009 there were 853 shareholders holding a total of 90,710,667 fully paid ordinary shares.

OPTIONS:

	Number of option holders	Number of options held
Employee and Executive Share Options	3	2,300,000
Managing Director & Chief Executive Officer Share Options	1	12,295,172
Total options over unissued shares	4	14,595,172

These options are not quoted on the ASX. There is no intention to apply for quotation.

4. VOTING RIGHTS

The relevant conditions about voting rights attaching to each share are set out in Article 9.22 of the Constitution as follows:

"Subject to any rights or restrictions for the time being attached to any class or classes of shares and to this constitution:

a) on a show of hands, each Member present in person and each other person present as a proxy, attorney or Representative of a Member has one vote; and

b) on a poll, each Member present in person has one vote for each fully paid share held by the Member and each person present as proxy, attorney or Representative of a Member has one vote for each fully paid share held by the Member that the person represents, *but a Member is not entitled to vote at a general meeting in respect of shares which are the subject of a current Restriction Agreement for so long as any breach of that agreement subsists".*

5. DISTRIBUTION OF EQUITY SECURITIES

5.1 Analysis of number of share and option holders by size of holding:

Fully paid ordinary shares **Range**	**Number of holders**	**Number of shares**
1 - 1,000	28	21,944
1,001 - 5,000	188	678,517
5,001 - 10,000	273	2,395,135
10,001 - 100,000	296	10,731,819
100,001 and over	68	76,883,252
	853	90,710,667

Options expiring 1 August 2012 at various exercise prices **Range**	**Number of holders**	**Number of options**
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	-	-
100,001 and over	3	13,645,172
	3	13,645,172

Options expiring 3 November 2011 at various exercise prices **Range**	**Number of holders**	**Number of options**
1 - 1,000	-	-
1,001 - 5,000	-	-
5,001 - 10,000	-	-
10,001 - 100,000	2	200,000
100,001 and over	1	750,000
	3	950,000

6. NON-MARKETABLE PARCELS

There were 250 holders (each holding less than 6,250 shares) of less than a marketable parcel of ordinary shares.

7. TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of ordinary fully paid shares are set out below:

Name	**Number of ordinary shares held**	**Percentage of issued shares**
NO CEE PTY LTD	12,000,000	13.23%
SUN HUNG KAI INVESTMENT SERVICES LTD	11,224,342	12.37%
DV NOMINEES PTY LTD	6,165,000	6.80%
MR MICHAEL JOSEPH BOGUE	6,000,000	6.61%

CORPORATE INFORMATION – AS AT 15 SEPTEMBER 2009

Name	Number of ordinary shares held	Percentage of issued shares
MR JAIME CHE	4,790,000	5.28%
SUN HUNG KAI SECURITIES (OVERSEAS) LIMITED	4,000,000	4.41%
JAMES MACKENZIE & EVELYN ANN HALL	3,808,880	4.20%
S G J INVESTMENTS PTY LTD	3,142,857	3.46%
BARTON PLACE HOLDINGS PTY LIMITED	2,600,000	2.87%
NEWMEK INVESTMENTS PTY LIMITED	2,000,000	2.20%
TONDA PTY LTD	1,863,042	2.05%
MURFETT INVESTMENTS PTY LTD	1,240,000	1.37%
VERDANT VALE PTY LTD	922,042	1.02%
MR MARK CLIFFORD STEPHEN	738,823	0.81%
COWARAMUP HOLDINGS PTY LTD	700,000	0.77%
ALLIED PROSPECTORS PTY LTD	642,857	0.71%
MR JINGZHONG LI	598,857	0.66%
BALLAD INVESTMENTS (KK) PTY LTD	525,000	0.58%
JOHN EDWARD MOORE	500,000	0.55%
BLAINE KIDD PTY LTD	500,000	0.55%
MR ADAM MAXWELL LENEGAN	500,000	0.55%
MR BLAKE WILLIAM MYLES & MRS TARYN JOY MYLES	500,000	0.55%
MR ROBERT MILLAR & MRS SUSAN MILLAR	500,000	0.55%
MRS KYLIE MEGAN PEARCE & MR LUKE BALLIN	500,000	0.55%
SUMLO PTY LTD	500,000	0.55%
REXTON HOLDINGS PTY LTD	500,000	0.55%
BERMUDA FARMS PTY LTD	485,600	0.54%
	67,447,300	74.34%

The top 20 shareholders held 74.34% of the issued fully paid ordinary shares.

8. TWENTY LARGEST OPTIONHOLDERS

The names of the 20 largest option holders, or all holders where the total number of holders is less than 20, of each class of the Company's options are set out below:

OPTIONS EXPIRING 1 AUGUST 2012, EXERCISABLE AT VARIOUS PRICES AS INDICATED BELOW

Option holder	Exercise Price	Number of Options
Michael Joseph Bogue	6.5 cents	3,295,172
Michael Joseph Bogue	9.0 cents	4,500,000
Michael Joseph Bogue	12.0 cents	4,500,000
James Li	23.0 cents	1,200,000
Lim Choon Kooi	23.0 cents	150,000
TOTAL		**13,645,172**

CORPORATE INFORMATION – AS AT 15 SEPTEMBER 2009

OPTIONS EXPIRING 3 NOVEMBER 2011, EXERCISABLE AT VARIOUS PRICES AS INDICATED BELOW

Option holder	Exercise Price	Number of Options
James Li	20.0 cents	750,000
Lim Choon Kooi	20.0 cents	100,000
May Li	20.0 cents	100,000
TOTAL		**950,000**

9. RESTRICTED SECURITIES

The Company has no restricted securities on issue.

10. COMPANY SECRETARY

Ms Carolyn Patman
REGISTERED OFFICE
Level 6, Suite 603
Currency House
23 Hunter Street
Sydney NSW 2000
Telephone: (02) 9232 0211

11. REGISTERED AND ADMINISTRATION OFFICE

Level 6, Suite 603
Currency House
23 Hunter Street
Sydney NSW 2000
Telephone: (02) 9232 0211
Facsimile: (02) 9232 0233
Website: www.rimcapital.com.au

12. SHARE REGISTRAR

Link Market Services Limited
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680 George Street
Sydney NSW 2000

Postal Address

Locked Bag A14
Sydney South NSW 1235
Telephone: (02) 8280 7111
Facsimile: (02) 9287 0303
DX: 1120 Sydney
Website: www.linkmarketservices.com.au
Email: registrars@linkmarketservices.com.au

13. STOCK EXCHANGE QUOTATION

The Company's shares are quoted only on the Australian Securities Exchange (code "RMC"). The home exchange is Sydney.