

20 August 2010

Companies Announcements Office
AUSTRALIAN SECURITIES EXCHANGE
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

Results for Announcement to the Market and Preliminary Final Report

Please find attached the Results for Announcement to the Market and the Preliminary Final Report under ASX Listing Rule 4.3A for the Company for the year ended 30 June 2010.

Yours faithfully
RIMCapital Limited



C A Patman
Company Secretary

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Level 6, Suite 603, Currency House, 23 Hunter Street, Sydney NSW 2000 • Tel +612 9232 0211 Fax +612 9232 0233 • www.rimcapital.com.au

RIMCAPITAL LIMITED





RIMCAPITAL LIMITED

ABN 72 064 874 620

RIMCAPITAL LIMITED

RESULTS FOR ANNOUNCEMENT TO THE MARKET

AND

**PRELIMINARY FINAL REPORT UNDER ASX LISTING
RULE 4.3A**



**1. DETAILS OF THE REPORTING PERIOD**

Contained herein is the Preliminary Final Report for RIMCapital Limited Consolidated Entity ("RIMCapital") for the year ended 30 June 2010 ("2010"). Comparative information is for the year ended 30 June 2009 ("2009").

The Consolidated Entity is composed of RIMCapital as the Parent Entity, RMC Iron Pty Limited, and its 50% owned associate joint venture entity, CRMSC (Australia) Pty Limited.

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2010 \$'000	2009 \$'000	% Change
2.1 Revenue from ordinary activities	335	7	4686%
2.2 (Loss) from ordinary activities after tax attributable to members	(701)	(9,631)	93%
2.3 Net (loss) attributable to members	(701)	(9,631)	93%
2.4 There are no dividends proposed or payable			
2.5 Not applicable			
2.6 Not applicable			

**3. STATEMENT OF COMPREHENSIVE INCOME**

	Note	Consolidated	
		20010	2009
		\$	\$
Revenue from continuing operations	3.1	334,999	6,618
Other income		-	-
Administration expenses		(198,489)	(221,899)
Finance costs – interest expense		(20,720)	(10,122)
Occupancy		(93,657)	(113,084)
Employee benefits expense		(733,495)	(1,198,346)
Depreciation and amortisation expenses		(6,138)	(8,993)
Net losses on disposal of other financial assets		(85,234)	(494,179)
Unrealised losses on other financial assets		-	(8,153,864)
Share of profit/(loss) from equity accounted investees		101,814	(1,257,701)
Loss before income tax	3.2	(700,920)	(11,451,570)
Income tax benefit	3.3	-	1,820,167
Loss from continuing operations		(700,920)	(9,631,403)
Other comprehensive income, net of tax		-	-
Total comprehensive income		(700,920)	(9,631,403)
Loss attributable to members of RIMCapital Limited		(700,920)	(9,631,403)
Total comprehensive income attributable to members of RIMCapital Limited		(700,920)	(9,631,403)



	Consolidated	
	2010	2009
	\$	\$
3.1 Revenue		
Included in revenue from continuing operations are the following items		
Service fees	331,818	-
Interest received	1,972	6,618
Dividend income	1,209	-
	<u>334,999</u>	<u>6,618</u>
3.2 Expenses		
Loss before income tax includes the following specific net losses and expenses		
Net losses on disposal of other financial assets	85,234	494,179
Unrealised losses on other financial assets	-	8,153,864
Depreciation of property, plant and equipment, leasehold improvements	6,138	8,993
Lease rental expense – operating	84,500	96,831
Employee benefits expense		
Superannuation expenses	72,210	101,308
Salaries and wages and other employee expenses	457,797	734,198
Share based payment expense	197,624	360,566
Provision for employee benefits	5,864	2,274
	<u>733,495</u>	<u>1,198,346</u>
3.3 Income tax benefit		
(a) Income tax benefit		
Current tax	-	-
Deferred tax	-	(1,820,167)
Under provided in prior years	-	-
Income tax benefit is attributable to:		
Loss from continuing operations	<u>-</u>	<u>(1,820,167)</u>
Deferred income tax benefit included in income tax benefit comprises:		
Decrease in deferred tax liabilities	<u>-</u>	<u>(1,820,167)</u>



	Consolidated	
	2010	2009
	\$	\$
(b) Numerical reconciliation of income tax benefit to prima facie tax payable		
Loss from continuing operations before income tax expense	(700,920)	(11,451,570)
Tax at the Australian tax rate of 30% (2009: 30%)	(210,276)	(3,435,471)
Tax effect amounts which are not deductible	<u>30,175</u>	<u>1,114,947</u>
	(180,101)	(2,320,524)
Under provision in prior years	-	-
Tax effect of losses not recognised	<u>180,101</u>	<u>500,357</u>
Income tax benefit	<u>-</u>	<u>(1,820,167)</u>
(c) Tax losses		
Unused revenue losses for which no deferred tax asset has been recognised	1,684,664	1,169,563
Unused capital losses for which no deferred tax asset has been recognised	<u>579,413</u>	<u>494,179</u>
	<u>2,264,077</u>	<u>1,663,742</u>
Potential tax benefit at the Australian tax rate of 30% (2009: 30%)	<u>679,223</u>	<u>499,123</u>

**4. BALANCE SHEET**

		Consolidated	
	Note	2010	2009
		\$	\$
CURRENT ASSETS			
Cash & cash equivalents	4.1	344,185	102,599
Receivables	4.2	6,385	6,094
Other financial assets at fair value	4.3	-	1,494,866
Investments accounted for using the equity method	4.4	1,493,440	-
TOTAL CURRENT ASSETS		1,844,010	1,603,559
NON-CURRENT ASSETS			
Investments accounted for using the equity method	4.4	-	1,391,626
Property, plant & equipment	4.5	29,234	35,372
Exploration assets	4.6	64,578	61,518
TOTAL NON-CURRENT ASSETS		93,812	1,488,516
TOTAL ASSETS		1,937,822	3,092,075
CURRENT LIABILITIES			
Payables	4.7	63,921	81,462
Current tax liabilities		23,777	363,057
Employee benefits	4.8	60,009	55,060
TOTAL CURRENT LIABILITIES		147,707	499,579
NON-CURRENT LIABILITIES			
Employee benefits	4.8	6,521	5,606
Borrowings	4.9	-	300,000
TOTAL NON-CURRENT LIABILITIES		6,521	305,606
TOTAL LIABILITIES		154,228	805,185
NET ASSETS		1,783,594	2,286,890
EQUITY			
Contributed equity	4.11	14,554,530	14,554,530
Reserves	4.12	1,408,618	1,210,994
Accumulated losses	4.13	(14,179,554)	(13,478,634)
TOTAL EQUITY		1,783,594	2,286,890



	Consolidated	
	2010	2009
	\$	\$
4.1 Cash & cash equivalents, current		
Cash on hand and at bank	303,084	63,476
Deposits at call	41,101	39,123
	344,185	102,599
4.2 Receivables, current		
Other debtors	6,385	6,094
4.3 Other financial assets at fair value, current		
Shares in companies listed on prescribed stock exchange	-	1,494,866
	-	1,494,866
4.4 Investments accounted for using the equity method		
Current		
Associate company*	1,493,441	-
Non-current		
Associate company*	-	1,391,626

*The 50% interest in the associate company, CRMSC (Australia) Pty Limited, is accounted for using the equity method

	Consolidated	
	2010	2009
	\$	\$
4.5 Property, plant & equipment, non-current		
Plant and equipment, and leasehold improvements - at cost	167,035	167,035
Less: Accumulated depreciation	(137,801)	(131,663)
	29,234	35,372
Reconciliation of the carrying amounts of plant and equipment, and leasehold improvements is as follows:		
Carrying amount as at 1 July (net)	35,372	44,365
Additions	-	-
Disposals	-	-
Depreciation expense	(6,138)	(8,993)
Carrying amount at 30 June (net)	29,234	35,372



	Consolidated	
	2010	2009
	\$	\$
4.6 Exploration Assets, non-current		
Exploration assets - at cost	64,578	61,518
Less: Accumulated depreciation	-	-
	64,578	61,518
Reconciliation of the carrying amounts of exploration assets is as follows:		
Carrying amount 1 July (net)	61,518	-
Additions	3,060	61,518
Disposals	-	-
	64,578	61,518
Carrying amount 30 June (net)		
	64,578	61,518
4.7 Payables, current		
Trade creditors	40,080	55,690
Other creditors	23,842	25,772
	63,922	81,462
4.8 Employee benefits		
Current		
Liability for annual leave	60,009	55,060
Non-current		
Liability for long service leave	6,521	5,606
4.9 Borrowings, non-current		
Unsecured		
Loan from related party	-	300,000

This loan was from the Company's associate entity and was advanced on an unsecured, interest free and at call basis.



	Consolidated	
	2010	2009
	\$	\$
4.10 Deferred tax liability		
The balance comprises temporary differences attributable to:		
Amounts recognised in profit or loss		
Financial assets at fair value through profit or loss	-	-
Movements:		
Balance 1 July	-	1,820,167
Credited to the income statement	-	(1,820,167)
Closing balance 30 June	-	-
4.11 Contributed Equity		
Issued capital 90,710,667 (2009: 90,710,667) ordinary fully paid shares	14,554,530	14,554,530
4.12 Reserves		
Share based payment reserve	1,408,618	1,210,994
Movements:		
Balance 1 July	1,210,994	850,428
Option expense	197,624	360,566
Balance 30 June	1,408,618	1,210,994
4.13 Accumulated losses		
Movements:		
Balance 1 July	(13,478,634)	(3,847,231)
Net loss attributable to members of RIMCapital Limited	(700,920)	(9,631,403)
Balance 30 June	(14,179,554)	(13,478,634)

**5. CHANGES IN EQUITY**

	Consolidated	
	2010	2009
	\$	\$
Total equity at 1 July	2,286,890	11,464,985
Transaction costs arising from share issue (Loss) for the year	- (700,920)	(30,257) (9,631,403)
Total recognised income and expense	(700,920)	(9,661,660)
Ordinary share issue – proceeds received	-	122,999
Employee share options expense	197,624	360,566
Total equity at 30 June	1,783,594	2,286,890



6. STATEMENT OF CASH FLOWS

		Consolidated	
	Note	2010	2009
		\$	\$
Cash flows from operating activities			
Receipts from customers – GST inclusive		165,000	-
Payments to suppliers, employees and creditors – GST inclusive		(873,206)	(1,182,013)
Interest received		2,011	5,329
Dividends received		1,209	-
Income taxes paid		(360,000)	(70,000)
Net cash used in operating activities	6.3	(1,064,986)	(1,246,684)
Cash flows from investing activities			
Payment for property, plant and equipment and exploration assets		(3,060)	(54,223)
Payments for investments		(1,955,131)	(959,665)
Proceeds from sale of investments		3,364,763	1,226,567
Loan (repaid to)/from related party		(100,000)	300,000
Net cash from investing activities		1,306,572	512,679
Cash flows from financing activities			
Ordinary share issue – proceeds received		-	122,999
Less: Transaction costs arising from share issue		-	(20,003)
Net cash from financing activities		-	102,996
Net increase/(decrease) in cash held		241,586	(631,009)
Cash at the beginning of the financial year		102,599	733,608
Cash at the end of the financial year	6.1	344,185	102,599

6.1 Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	Consolidated	
	2010	2009
	\$	\$
Cash at bank and on hand	303,084	63,476
Deposits at call	41,101	39,123
	344,185	102,599



6.2 Financing Facilities

No firmly committed long-term financing facilities were available to the company at the end of the financial year.

	Consolidated	
	2010	2009
	\$	\$
6.3 Reconciliation of Net Cash used in Operating Activities to Operating Loss after Income Tax		
Operating loss after income tax	(700,920)	(9,631,403)
Depreciation	6,138	8,993
(Increase)/decrease in receivables	(200,292)	115
(Decrease) in creditors	(11,676)	(10,654)
Impairment in value of other financial assets	-	8,153,864
(Decrease) in deferred tax liability	-	(1,820,167)
(Decrease) in current tax liability	(339,280)	(59,878)
Share of (profit)/loss from equity accounted investees	(101,814)	1,257,701
Net loss on disposal of other financial assets	85,234	494,179
Share option based payment expense	197,624	360,566
	<u>(1,064,986)</u>	<u>(1,246,684)</u>
Net cash used in operating activities		

7. DETAILS OF DIVIDENDS

There are no dividends proposed or payable.

8. DETAILS OF DIVIDEND REINVESTMENT PLANS

There is no dividend reinvestment plan.

9. NET TANGIBLE ASSETS

	Consolidated	
	2010	2009
Net tangible assets per ordinary fully paid share	2.0 cents	2.5 cents

10. CHANGE IN CONTROLLED ENTITIES

During the current year there have been no changes in the Company's controlled entities.

For the years ended 30 June 2010 and 30 June 2009, the individual contribution of RMC Iron Pty Limited, which is a controlled entity, to the Consolidated Entity's loss (2009: loss) was immaterial for an understanding of the report.



Details of Associates and Joint Venture Entities

Name of Joint Venture Entity: CRMSC (Australia) Pty Limited with Union Park Company Limited (a subsidiary company of China Railway Materials Commercial Corporation ("CRM"), a State Owned Enterprise of the People's Republic of China).

Percentage Holding: RIMCapital Limited holds 50% of CRMSC (Australia) Pty Limited which commenced trading with an initial investment of A\$1.0 million in June 2004. The value of this investment at 30 June 2010 is A\$1,493,441 (refer note 4.4).

11. OTHER SIGNIFICANT INFORMATION

During the financial year 200,000 options issued under the Employee and Executive Share Option Plan were forfeited.

12. FOREIGN ENTITY ACCOUNTING STANDARDS

Not applicable.

13. RESULTS FOR 2010

The Consolidated Entity posted an unaudited net loss of \$700,920 for the year ended 30 June 2010 compared to a net loss of \$9.63 million in the prior year.

The Company's associate entity contributed a profit of \$101,814 to the consolidated entity's result. In addition the net loss figure includes \$197,624 in non-cash expenses associated with unlisted options currently on issue to Company employees under shareholder approved option plans.

Throughout the year the Company continued to seek business and investment opportunities in the areas of project acquisition and equity investment, infrastructure and off-take arrangements in respect of mineral resource projects both in Australia and overseas. Numerous proposals and indicative offers were made by the Company during the course of the year. Unfortunately none of these transactions proceeded due mainly to disparities with vendors in relation to valuation or the future strategy in relation to project advancement. The proposed RSPT and MRRT introduced by the Federal Labor Government also negatively impacted upon transaction opportunities being explored by the Company in the latter part of the year. The Company will continue to pursue value adding transactions for shareholders. However it will not seek to undertake transactions which are likely to prove detrimental to longer term shareholder value. This is particularly so in instances where project fundamentals, financing sources and clear pathways to production are simply not realistic in the eyes of vendors.

During the year the Company's joint venture partner CRM formally agreed to make a direct equity investment with United Minerals Corporation NL at \$1.35 per share subject to certain preconditions including a 10 year 3.0 million tonne per annum iron ore offtake agreement under the terms of a Subscription Agreement. Completion did not occur as the UMC Board instead endorsed a conditional cash scheme of arrangement with BHP Billiton Group on 16 October 2009 which was subsequently completed. For services rendered to each of UMC and the Company's associate entity on this transaction, the Company received the aggregate revenue amount of \$331,818 during the year.

During the year the Company fully repaid all borrowings from its associate company which had been provided on an unsecured, interest free and repayable at call basis.

During the year the Company, through a wholly owned subsidiary, maintained 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") Yeerlirrie Uranium Project which BHP describes as Australia's second largest undeveloped uranium project. The Company continues to seek funding, joint venture or farm-in arrangements to advance this tenement area.

	Consolidated	
	2010	2009
	Cents	Cents
Basic earnings per share	(0.77)	(10.62)
Diluted earnings per share	(0.77)	(10.62)

14. AUDIT REPORT

This report is based on accounts which are in the process of being audited.