



RIMCAPITAL LIMITED

ABN 72 064 874 620

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RIMCAPITAL LIMITED

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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 2007 ("2007"). Comparative information is for the year ended 30 June 2006 ("2006").

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

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	2007 \$'000	2006 \$'000	% Change
2.1 Revenue from ordinary activities	4,193	827	Up 507%
2.2 Profit/(loss) from ordinary activities after tax attributable to members	1,171	(278)	Up 521%
2.3 Net profit/(loss) attributable to members	1,171	(278)	Up 521%
2.4 There are no dividends proposed or payable			
2.5 Not applicable			
2.6 Not applicable			

3. INCOME STATEMENT

	Note	Consolidated 2007 \$	2006 \$
Revenue from continuing operations	3.1	4,192,624	827,109
Service delivery		-	(3,379)
Administration		(249,187)	(213,750)
Cost of investments sold		(3,084,617)	(525,699)
Occupancy		(66,548)	(63,902)
Salaries and employee costs		(400,835)	(201,373)
Depreciation and amortisation expenses		(5,224)	(9,743)
Unrealised gains on shares		743,711	17,056
Realised/unrealised foreign exchange loss		(16,925)	(155,571)
Joint venture entity profits		397,846	(25,318)
Other expenses from ordinary activities		(1,637)	16,174
Profit/(Loss) before income tax	3.2	1,509,208	(338,396)
Income tax (expense)/benefit	3.3	(332,000)	60,620
Profit/(Loss) from continuing operations		1,177,208	(277,776)
Profit/(Loss) attributable to members of RIMCapital Limited		1,177,208	(277,776)

		Consolidated	
		2007	2006
		\$	\$
3.1	Revenue		
	Included in revenue from continuing operations are the following items		
	Corporate advisory and retainers	-	5,912
	Proceeds from sale of investments	4,099,222	626,821
	Interest received	62,142	190,560
	Dividend income	23,822	1,068
	Other	7,438	2,748
		<u>4,192,624</u>	<u>827,109</u>
3.2	Expenses		
	Loss before income tax includes the following specific net gains/(losses) and expenses		
	Net gains/(losses)		
	Net gain on disposal of investments	1,014,606	101,122
	Unrealised gains on shares	743,711	17,056
	Net foreign exchange loss	(16,925)	(155,571)
	Loss on disposal of controlled entity	(1,637)	-
	Expenses		
	Depreciation of property, plant and equipment, leasehold improvements	5,224	9,743
	Interest expense	-	3,292
	Lease rental expense – operating	59,465	56,821
	Superannuation expenses	47,202	17,428
	Salaries and wages and other employee expenses	292,437	183,945
	Provision for annual leave	19,470	-
3.3	Income tax expense		
	(a) Income tax expense/(benefit)		
	Current tax	10,627	(8,914)
	Deferred tax	321,373	69,466
	Over provided in prior years	-	(121,172)
		<u>332,000</u>	<u>(60,620)</u>
	Income tax expense/(benefit) is attributed to:		
	Profit/(Loss) from continuing operations	<u>332,000</u>	<u>(60,620)</u>
	Deferred income tax expense included in income tax expense comprises:		
	Increase in deferred tax liabilities	<u>321,373</u>	<u>69,466</u>

	Consolidated	
	2007	2006
	\$	\$
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(Loss) from continuing operations before income tax expense	1,509,208	(338,396)
Tax at the Australian tax rate of 30% (2006: 30%)	452,762	(101,519)
Tax effect amounts which are (deductible)/not deductible	<u>(78,469)</u>	<u>162,071</u>
	374,293	60,552
Overprovision in prior years	-	(121,172)
Prior year tax losses not recognised now recouped	(42,293)	-
	<u> </u>	<u> </u>
Income tax expense/(benefit)	<u>332,000</u>	<u>(60,620)</u>
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised	<u>-</u>	<u>140,978</u>
Potential tax benefit @ 30%	<u>-</u>	<u>42,293</u>

All unused tax losses were incurred by Australian entities

4. BALANCE SHEET

		Consolidated	
	Note	2007	2006
		\$	\$
CURRENT ASSETS			
Cash & cash equivalents	4.1	2,172,876	2,594,750
Receivables	4.2	386,496	173,213
Other financial assets at fair value	4.3	3,634,516	2,260,500
TOTAL CURRENT ASSETS		6,193,888	5,028,463
NON-CURRENT ASSETS			
Receivables	4.4	-	6,467
Investments accounted for using the equity method	4.5	1,595,699	1,197,853
Property, plant & equipment	4.6	36,431	31,649
TOTAL NON-CURRENT ASSETS		1,632,130	1,235,969
TOTAL ASSETS		7,826,018	6,264,432
CURRENT LIABILITIES			
Payables	4.7	38,431	19,700
Current tax liabilities		10,627	-
Provisions	4.8	19,470	1,337
TOTAL CURRENT LIABILITIES		68,528	21,037
NON-CURRENT LIABILITIES			
Deferred tax liability	4.9	508,199	186,826
TOTAL NON-CURRENT LIABILITIES		508,199	186,826
TOTAL LIABILITIES		576,727	207,863
NET ASSETS		7,249,291	6,056,569
EQUITY			
Contributed equity	4.10	14,461,788	14,461,788
Reserves	4.11	-	(15,514)
Accumulated losses	4.12	(7,212,497)	(8,389,705)
TOTAL EQUITY		7,249,291	6,056,569

		Consolidated	
		2007	2006
		\$	\$
4.1	Cash & cash equivalents		
	Cash on hand and at bank	2,116,563	2,538,883
	Deposits at call	56,313	55,867
		<u>2,172,876</u>	<u>2,594,750</u>
4.2	Receivables, current		
	Other Debtors	<u>386,496</u>	<u>173,213</u>
4.3	Other financial assets at fair value, current		
	Shares in companies listed on prescribed stock exchange		
	– At cost	2,483,749	1,853,444
	Provision for increase in value	1,150,767	407,056
		<u>3,634,516</u>	<u>2,260,500</u>
4.4	Receivables, non-current		
	Security deposits – guarantees	-	5,967
	Loans to third parties	-	500
		<u>-</u>	<u>6,467</u>
4.5	Investments accounted for using the equity method, non-current		
	Joint venture entity*	<u>1,595,699</u>	<u>1,197,853</u>

*The interest in the joint venture entity, CRMSC (Australia) Pty Limited, is accounted for by applying the equity method

		Consolidated	
		2007	2006
		\$	\$
4.6	Property, plant & equipment		
	Plant and equipment, and leasehold improvements - at cost	147,576	327,498
	Less: Accumulated depreciation	(111,145)	(295,849)
		<u>36,431</u>	<u>31,649</u>

	Consolidated	
	2007	2006
	\$	\$
Reconciliation of the carrying amounts of plant and equipment, and leasehold improvements is as follows:		
Carrying amount as at 1 July (net)	31,649	19,139
Additions	10,006	23,149
Disposals	-	(896)
Depreciation expense	(5,224)	(9,743)
	<u>36,431</u>	<u>31,649</u>
Carrying amount at 30 June (net)	36,431	31,649
4.7 Payables		
Trade creditors	9,610	1,673
Other creditors	28,821	18,027
	<u>38,431</u>	<u>19,700</u>
4.8 Provisions		
Employee entitlements	19,470	-
Professional fees	-	1,337
	<u>19,470</u>	<u>1,337</u>
4.9 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	<u>508,199</u>	<u>186,826</u>
Movements:		
Balance 1 July	186,826	117,360
Charged to the income statement	321,373	69,466
	<u>508,199</u>	<u>186,826</u>
Closing balance 30 June	508,199	186,826
4.10 Contributed Equity		
Issued capital		
87,967,815 (2006: 87,967,815) Ordinary fully paid shares	<u>14,461,788</u>	<u>14,461,788</u>

	Consolidated	
	2007	2006
	\$	\$
4.11 Reserves		
Foreign currency reserve	-	(15,514)
Movements:		
Balance 1 July	(15,514)	(156,169)
Currency translation differences arising during the year	(38,731)	140,655
Transfer to profit and loss on disposal foreign entity	54,245	-
Balance 30 June	-	(15,514)
4.12 Accumulated losses		
Movements:		
Balance at 1 July	(8,389,705)	(8,111,929)
Net profit/(loss) attributable to members of RIMCapital Limited	1,177,208	(277,776)
Balance at 30 June	(7,212,497)	(8,389,705)

5. CHANGES IN EQUITY

	Consolidated	
	2007	2006
	\$	\$
Total equity at 1 July	6,056,569	6,193,690
Transfer of foreign currency reserve to profit & loss	15,514	140,655
Net income recognised directly in equity	6,072,083	6,334,345
Profit/(Loss) for the year	1,177,208	(277,776)
Total equity at 30 June	7,249,291	6,056,569

6. STATEMENT OF CASH FLOWS

	Note	Consolidated	
		2007	2006
		\$	\$
Cash flows from operating activities			
Receipts from customers		-	25,039
Payments to suppliers, employees and creditors – GST inclusive		(803,183)	(507,986)
Interest received		61,293	274,491
Dividends received		23,822	1,068
Income taxes refunded		26,371	12,551
Net cash used in operating activities	6.3	(691,697)	(194,837)
Cash flows from investing activities			
Payment for property, plant and equipment		(10,006)	(23,149)
Payments for investments		(3,704,421)	(2,250,442)
Proceeds from sale of investments		3,825,674	626,821
Distribution on liquidation of controlled entity		153,355	-
Security deposits paid		5,967	-
Net cash from/(used in) investing activities		270,569	(1,646,770)
Net (decrease) in cash held		(421,128)	(1,841,607)
Cash at the beginning of the financial year		2,594,750	4,273,970
Effect of exchange rate changes on the balances of cash		(746)	162,387
Cash at the end of the financial year	6.1	2,172,876	2,594,750

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	
	2007	2006
	\$	\$
Cash at bank and on hand	2,116,563	2,538,883
Deposits at call	56,313	55,867
	2,172,876	2,594,750

6.2 Financing Facilities

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

	Consolidated	
	2007	2006
	\$	\$
6.3 Reconciliation of Net Cash used in Operating Activities to Operating Loss after Income Tax		
Operating profit/(loss) after income tax	1,177,208	(277,776)
Depreciation	5,224	9,746
(Increase)/Decrease in receivables	(106,730)	100,368
Increase/(Decrease) in creditors	18,731	(25,905)
Provisions for diminution in value of investments and loans	(743,711)	(15,856)
Unrealised gain on investments	-	(17,056)
Net loss on disposal of controlled entities	1,637	-
Increase/(Decrease) in provisions	351,470	(48,069)
(Profit)/Loss on Joint Venture	(397,846)	25,318
Net profit on sale of investments	(1,014,605)	(101,122)
Foreign currency loss	16,925	155,515
	<u>(691,697)</u>	<u>(194,837)</u>
Net cash (used in)/from 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	
	2007	2006
Net tangible assets per ordinary fully paid share	0.082	0.069

10. CHANGE IN CONTROLLED ENTITIES

The Company's 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.

11. 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 Commercial Corporation, 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 2007 is A\$1,595,699 (refer note 4.5).

12. OTHER SIGNIFICANT INFORMATION

Since the end of the financial year the Company has issued a total of 15,195,172 options over ordinary shares under share plans approved by the Company's shareholders in general meeting on July 11, 2007. 13,195,172 options have been issued under the Managing Director and Chief Executive Officer Share Option Plan and 2,000,000 options have been issued under the Employee and Executive Share Option Plan.

On 1 August 2007, Mr Pieter W. Greeff was appointed to the Board as a Non-Executive Director. 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.

Mr Greeff is a Non-Executive Director of Castlemaine Goldfields Limited (ASX Code: CGT) and was previously Non-Executive Chairman of both Westonia Mines Ltd (ASX Code: WEZ) and Austindo Resources Ltd (ASX Code: ARX).

The appointment of Mr Greeff adds considerable technical mining expertise to the Board as the Company pursues its objective of becoming a significant mining and investment Company focused on the global natural resources and related sectors.

13. FOREIGN ENTITY ACCOUNTING STANDARDS

Not applicable.

14. RESULTS FOR 2007

A summary of consolidated revenues and results by significant industry segments is set out below:

	Segment Revenues		Segment Results	
	2007	2006	2007	2006
	\$	\$	\$	\$
Other	-	2,748	-	2,748
Investments holding	4,192,624	824,361	1,509,208	(341,144)
Total Revenue	4,192,624	827,109		
Profit/(Loss) from ordinary activities before income tax			1,509,208	(338,396)
Income tax (expense)/benefit			(332,000)	60,620
Profit/(Loss) from ordinary activities after income tax			1,177,208	(277,776)
Profit/(loss) attributable to members of RIMCapital Limited			1,177,208	(277,776)

The group has generated an operating profit of \$1,509,208 for the year compared to a loss last year of \$338,396. This profit is mostly due to strategic investments and realisation of investments in the mining industry.

At 30 June 2007, the group's cash is mainly held in the form of fixed deposits and money on call. This will continue to enable the group to utilise its cash reserves to undertake and secure new investment opportunities in the global natural resources and related sectors where value can be created for shareholders.

Earnings per share for 2007 was 1.34 cents compared with the earnings per share of (0.32) cents for 2006.

15. AUDIT REPORT

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