



RIMCapital Limited (ACN 064 874 620)

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19 April 2004

The Manager
Companies Department
Australian Stock Exchange Limited
20 Bridge Street
Sydney, NSW 2000

Dear Sir/Madam,

RIMCapital Limited ("RMC") is pleased to announce that it has entered into a Heads of Agreement on 19 April 2004 with Union Park Company Limited ("UPCL") to form a Joint Venture company ("JV") to undertake trading activities including railway materials, resources, non-ferrous metal and steel. The JV will be capitalized up to AUD2Million where both RMC and UPCL will hold equal shares.

UPCL is part of the China Railway Materials & Supplies Corporation ("CRMSC") from China. CRMSC is a large-sized business enterprise headquartered in Beijing, China. Through its various subsidiaries, CRMSC's activities involve trading of resources, railway materials, non-ferrous metal, steel and steel products and logistics.

CRMSC's 9 trading companies are strategically located in 9 different central cities throughout China, providing a reliable materials supply system to serve the nation's 14 railway bureaus.

Should you have further enquiries, please do not hesitate to contact the undersigned.

Yours faithfully,

Robert M Willcocks
Chairman
RIMCapital Limited

Enclosure (1)

HEADS OF AGREEMENT

This agreement made on the *19* day of *April 2004* between the parties set out in Part 1 of the Schedule ("The Company") of the first part and the party set out in Part 2 of the Schedule ("Joint Venturer")

Whereas:

The Joint Venturer, part of China Railway Materials & Supplies Corporation ("CRMSC") in China, is in the business of trading of resources, railway materials, non-ferrous metal, steel and steel products and logistics. The Joint Venturer wishes to cooperate with the Company so that the Joint Venturer can establish a presence in Australia to conduct its business.

Agreed:

1. Subject to the conditions in Clause 2:

- 1.1 A new company ("Newco") to be set up;
- 1.2 The Company and Joint Venturer will each hold 50% of Newco;
- 1.3 The capitalization of the Newco to be up to AUD2 Million;
- 1.4 The name of Newco be CRMS (Australia) Pty Limited.

2. Completion of this agreement will be conditional on:

- 2.1 Board approval by the Company;
- 2.2 Any other statutory and regulatory approvals.

3. The terms hereof shall be confidential other than as to such disclosure as is required by law or by the Australian Stock Exchange.
4. Each party shall be responsible for its own costs in negotiating and finalizing this transaction.

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED BY
as authorised representative for
Union Park Company Limited
in the presence of:

..... *L. Ji*
Signature of witness

..... JINGZHONG LI
Name of witness (block letters)

Y O Y

.....
By executing this agreement the
signatory warrants that the signatory is
duly authorised to execute this
agreement for and on behalf of

SIGNED BY
as authorised representative for
RIMCapital Limited
in the presence of:

..... *Chris Chan*
Signature of witness

..... *Chris Chan*
Name of witness (block letters)

RIM Capital Limited

.....
By executing this agreement the
signatory warrants that the signatory is
duly authorised to execute this
agreement for and on behalf of

THE SCHEDULE

PART 1

RIMCapital Limited ACN 064 874 620

Suite 505, Kindersley House

33 Bligh Street, Sydney, NSW 2000

PART 2

Union Park Company Limited

(subsidiary of China Railway Materials & Supplies Corporation)

Unit No. 210, New East Ocean Centre,

9 Science Museum Road, Tsim Sha Tsui

Kowloon, Hong kong