



RIMCapital Limited ACN 064 874 620

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23 December 2004

Companies Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 5
20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

We enclose for release to the market the Company's updated Corporate Governance Statement.

Yours faithfully _____

I D Haigh
Company secretary

RIMCapital Limited

Revised Corporate Governance Statement for the year ended 30 June 2004

The directors are responsible to the shareholders for the performance of the Company. Their focus is to enhance the interests of shareholders and other key stakeholders and to ensure the Company and its controlled entities are properly managed. The Board draws on relevant corporate governance best practice principles to assist it to contribute to the performance of the Company.

The functions of the Board include:

- review and approval of corporate strategies and financial plans
- overseeing and monitoring organisational performance and the achievement of the Company's strategic goals and objectives
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditors
- appointment and assessment of the performance of the senior management team
- ensuring there are effective management processes in place and approving major corporate initiatives
- enhancing and protecting the reputation of the organisation
- ensuring the significant risks facing the Company and its controlled entities have been identified, and that appropriate and adequate control, monitoring and reporting mechanisms are in place
- reporting to shareholders.

A description of the Company's main corporate governance practices are set out below. All these practices, unless otherwise stated, were in place for the entire year.

The Board of directors

The Board operates in accordance with the broad principles set out in its charter including that:

- the Board should be comprised of both executive and non-executive management.
- in recognition of the importance of independent views and the Board's role in supervising the activities of management, the Chairman should be a non-executive director
- The Company's Constitution specifies that all directors (with the exception of the Managing Director) must retire from office no later than the third annual general meeting (AGM) following their last election. Where eligible, a director may stand for re-election.

In addition, the Board seeks to ensure that the membership at any point in time represents an appropriate balance between directors with experience and knowledge of the Company and directors with an external or fresh perspective.

The current Board consists of three directors whose details are shown in the Directors' Report. The Chairman is considered to be an independent director. The other two directors are executive directors involved in the management of the Company. As the Company and its subsidiaries only has six personnel, including the three directors, it is not practical to have additional independent directors.

Each year the Board reviews the effectiveness of its own operation and that of the company as a whole.

Commitment

The Board meets for monthly Board meetings during the year, or more or less frequently as required.

Non-executive directors are expected to spend appropriate time preparing for, and attending, Board meetings and associated activities.

Conflict of interests

In accordance with the Board Charter, directors declared their interests to the Company in any dealings where they considered there to be a conflict of interest and took no part in decisions or the preceding discussions.

Independent professional advice

The directors have the right, in connection with their duties and responsibilities, to seek independent professional advice at the Company's expense. Prior written approval of the Chairman is required, but this will not be unreasonably withheld.

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Audit Committee

It was determined that in line with Best Practice Guidelines and due to the composition of the Board of Directors and the current activities of the Company, the Board of Directors perform the function of the audit committee.

Nomination Committee

It was determined that in line with Best Practice Guidelines and due to the composition of the Board of Directors and the current activities of the Company, the Board of Directors perform the function of the nomination committee.

Remuneration

Detail of the remuneration paid to Directors is disclosed in the accounts of the Company.

Currently, only the Chairman, one executive director and the three employee receive remuneration, the quantum of which is decided by the Board after considering performance and market conditions.

Risk assessment and management

The Company's focus on risk management recognises that risk management is, prima facie, an issue for line management. The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities. In addition, the Board requires that each major proposal submitted to the Board for decision be accompanied by a comprehensive risk assessment and, where required, management's proposed mitigation strategies.

Insurance cover is taken where applicable and available to assist in the management of risk.

Ethical standards

The Company requires that at all times all Company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of both the law and Company policies. Ethical standards are monitored at Board meetings.

Any trading in the Company's securities by the three directors or the other employee is discussed by the Board prior to the intended trade. Directors' shareholdings are detailed in the Annual Report.

Whilst not having a separate code of conduct to guide compliance with legal and other obligations, such as employees, customers and the community, the Company is aware of its obligations under the various employment laws, privacy laws, occupational health and safety and environmental and pollution controls.

Reporting to Shareholders

In accordance with the principle of continuous disclosure, the Board is committed to keeping the shareholders informed on all material developments that affect the Company.

All announcements are reviewed by Board members prior to their release.

The Company uses its website to regularly keep shareholders up to date on the Company's activities.

The Company uses the forum of the Annual General Meeting to give shareholders a presentation on the Company's progress during the year and its goals in the future. The external auditor is also requested to attend the Annual General Meeting to answer any shareholder questions about the conduct of the audit and preparation of the and content of the auditor's report.

Continuous disclosure

The Company Secretary has been appointed as the person responsible for communications with the Australian Stock Exchange (ASX). This person is also responsible for ensuring compliance with the continuous disclosure requirements of the ASX listing rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.