

Appendix 4E

Preliminary Final Report

Freedom Eye Ltd ABN: 85 061 289 218

1.	Financial year ended ('reporting period')	30 June-09
	Financial year ended ('previous corresponding period')	30 June-08

2. Results for announcement to the market

		\$A'000			
Movement from previous corresponding period.					
2.1	Revenues from ordinary activities (<i>item 3.1</i>)	down	192%	to	176
2.2	Profit (loss) from ordinary activities after tax attributable to members (<i>item 3.5</i>)	up	38%	to	(1056)
2.3	Net profit (loss) for the period attributable to members (<i>item 3.5</i>)	up	38%	to	(1056)

Dividends

2.4	The Company does not propose to pay dividends in relation to this period.	
2.5	Record date for dividends:	Not applicable

2.6	Explanation of items 2.1 to 2.3 above:
	Revenue has decreased on the previous year due to a significant reduction in government grants resulting from the wind back in research and development activities and a reduction in interest earned. There was a once off revenue item from the sale of a legacy mineral royalty entitlement.
	Although research and development activities and costs reduced from prior years, significant expenditure was incurred on the proposed acquisition of the Vista business. Following the company's decision not proceed with the Vista transaction, ongoing administration costs have been considerably reduced.

3. Condensed consolidated income statement

	Reporting period \$A'000	Previous corresponding Period \$A'000
3.1 Revenues from ordinary activities (<i>see items 3.6 – 3.8</i>)	176	515
3.2 Expenses from ordinary activities (<i>see items 3.9</i>)	(1469)	(1901)
3.3 Profit (loss) from ordinary activities before tax	(1293)	(1386)
3.4 Income tax benefit/(expense) or ordinary activities	(165)	330
3.5 Profit (loss) from ordinary activities after tax	(1458)	(1056)

Notes to the condensed consolidated income statement

Revenue and expenses form ordinary activities

	Reporting period \$A'000	Previous corresponding Period \$A'000
3.6 Revenue		
- Government grants and rebates	10	378
3.7 Interest revenue	48	136
3.8 Other relevant revenue		
- Sale of mineral royalty	100	-
- Other	18	1
3.9 Details of relevant expenses		
- Depreciation and amortisation	118	127
- ASX Fees	14	19
- Costs of shares registry	24	26
- Salary and wages	485	719
- Research and development	214	388
- Rent	38	90
- Legal expenses	89	9
- Consulting	239	58
- Share based payments	20	109
- Net loss on sale of plant and equipment	-	55
- Other administration expense	52	301

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4. Condensed consolidated balance sheet

	Reporting period \$A'000	Previous corresponding Period \$A'000
Current assets		
4.1 Cash and cash equivalents	185	1473
4.2 Trade and other receivables	66	264
4.3 Available for sale financial assets	54	
4.4 Other assets	21	103
4.5 Total current assets	326	1840
Non-current assets		
4.6 Land and building at fair value	1800	2350
4.7 Other property, plant and equipment	8	97
4.8 Total non-current assets	1808	2447
4.9 Total assets	2134	4287
Current liabilities		
4.10 Payables	139	121
4.11 Provisions	39	31
4.12 Other	-	387
4.13 Total current liabilities	178	539
Non current liabilities		
4.14 Provisions	20	27
4.15 Total non current liabilities	20	27
4.16 Total liabilities	198	566
4.17 Net assets	1936	3721
Equity		
4.18 Capital/contributed equity	23371	23337
4.19 Reserves	2219	2580
4.20 Retained profits (accumulated losses)	(23654)	(22196)
4.21 Total equity	1936	3721

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5. Condensed consolidated cash flow statement

	Reporting period \$A'000	Previous corresponding Period \$A'000
Cash flows from operating activities		
5.1 Refund of Government grants	(384)	-
5.2 Payments to suppliers and employees	(1060)	(1270)
5.3 Payments relating to research projects	(180)	(426)
5.4 Interest received	48	137
5.5 Receipts from customers	3	-
5.6 Payments for option on business	(40)	-
5.7 Tax refund received	260	-
5.8 Net operating cash flows	(1353)	(1559)
Cash flows from financing activities		
5.9 Purchases of plant and equipment	-	(92)
5.10 Proceeds from sale of mineral royalty	50	-
5.11 Proceeds from sale of plant and equipment	15	72
5.12 Net investing cash flow	65	(20)
Cash flows from financing activities		
5.13 Net financing cash flows	-	-
5.14 Net increase (decrease) in cash held	(1287)	(1579)
5.15 Cash at beginning of period	1473	3052
5.16 Cash at end of period	185	1473

5.17 **Non-cash financing and investing activities**

There were no non-cash investing activities. Non-cash financing was received by the company with the issue of shares in Reward Minerals Limited with a deemed value of \$50,000.

5.18 **Reconciliation of cash**

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Reporting period \$A'000	Previous corresponding Period \$A'000
5.19 Cash on hand and at bank (<i>item 5.16</i>)	185	1473

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6. Dividends

No dividends were paid during the reporting period or the previous corresponding period.

7. Dividend reinvestment plans

No dividend reinvestment plans were in operation during the reporting period or the previous corresponding period.

8. Statement of retained earnings

	Reporting period \$A'000	Previous corresponding Period \$A'000
8.1 Retained profits (accumulated losses) at the beginning of the financial period.	(22196)	(21140)
8.2 Net profit (loss) attributable to members (<i>item 3.5</i>)	(1458)	(1056)
8.3 Retained profits (accumulated losses) at end of financial period.	(23654)	(22196)

9. Net tangible Assets

Net tangible asset backing per ordinary share

Reporting period	Previous corresponding period
0.76 cents	1.31 cents

10. Gain or loss of control over entities

There were no entities over which control was gained during the reporting period.

11. Foreign entities

No member of the Group is a foreign entity.

12. Commentary on results

12.1 Earnings per security (EPS)

Basic EPS

Reporting period	Previous corresponding period
(0.51) cents	(0.37) cents

12.2 Significant features of operating performance
(see item 2.6)

12.3 The results of segments

The entity was involved in pharmaceutical research and development and the evaluation of new business opportunities during the reporting period.

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

14. These accounts are not likely to be subject to dispute or qualification.

15. Associates and joint venture entities

No member of the Group held an interest in, or participated in the results of, an associate or joint venture.

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16. Basis of Preparation

The preliminary final report does not include all the notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The preliminary final report should be read in conjunction with the half-year financial report of Freedom Eye Ltd as at 31 December 2008. It is also recommended that the financial report be considered together with any public announcement made by Freedom Eye Ltd and its controlled entities during the year ended 30 June 2009 in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

The preliminary final report has been prepared in accordance with the requirements of the Australian Stock Exchange listing rules.

This preliminary final report does not constitute the full financial report for the year ended 30 June 2009.

Signed:



Phillip MacLeod
Company Secretary

Date: 31/08/2009

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