

Appendix 4E

Preliminary final report

Period ending on or after 30 June 2010

Introduced 1/1/2003. Origin: Appendix 4B

The following information must be given to ASX under listing rule 4.3A.

1. Details of the reporting period and the previous corresponding period.

The current reporting period for Bisan Limited is for the year ended 30 June 2010. The previous corresponding period is for the year ended 30 June 2009.

2. Key information in relation to the following. This information must be identified as ***“Results for announcement to the market”***.

- 2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.

Revenue from operating activities increased by 379% from the previous corresponding period to \$93,728

- 2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) after tax attributable to members.

The loss has decreased by 67.54% from the previous corresponding period to \$536,206

- 2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

The loss for the period attributable to members has decreased by 67.54% from the previous corresponding period to \$536,206.

- 2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.

It has been resolved that no dividend will be payable

- 2.5 The record date for determining entitlements to the dividends (if any).

It has been resolved that no dividend will be payable

- 2.6 A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.

Expenses decreased from the previous period. Revenue increased from the previous period

For personal use only

Note: The information required by item 2 must be placed at the beginning of the report. The other information may be presented in whatever way is most convenient, eg combined with the body of the report, combined with notes to the accounts, or set out separately.

2. A statement of financial performance together with notes to the statement, prepared in compliance with AASB 1018 or the equivalent foreign accounting standard.

CONSOLIDATED ENTITY

2010 **2009**
\$ **\$**

Revenue	93,728	19,542
Auditors remuneration	(37,326)	(41,004)
Employee benefits expense	(28,297)	(16,851)
Occupancy expense	(17,878)	(22,163)
Share registry expense	(26,542)	(19,738)
Diminution in value of shares	(97,049)	21,979
Legal fees expense	(1,170)	(55)
Directors fee expense	(49,800)	(49,800)
Project expenses	-	-
Directors remuneration – options	(95,162)	(560,233)
Employee remuneration – options	(25,954)	(152,790)
Travel expense	(3,098)	(6,857)
Registration fees expense	(2,365)	(2,125)
Accounting expense	(3,655)	(4,875)
Brokerage expense	(14,000)	-
Impairment of intercompany loan	-	-
Share of loss of joint venture accounted for using the equity method	(104,915)	(91,850)
Impairment of joint venture receivable	(114,563)	(149,705)
Impairment of investment	-	(570,000)
Foreign exchange (gain\loss)	(3,197)	-
Other expenses	(4,963)	(5,880)
Loss before income tax expense (benefit)	(536,206)	(1,652,405)
Income tax expense (benefit)	-	-
Loss after related income tax expense (benefit)	(536,206)	(1,652,405)
Net loss attributable to members of the parent entity	(536,206)	(1,652,405)

Loss before income tax includes the following revenues and expenses whose disclosure is relevant in explaining the performance of the entity:

CONSOLIDATED	
2010	2009
\$	\$

a) Expenses

Auditor's remuneration	37,326	41,004
Bank Charges	405	413
Provision for diminution in value of investments:		
- shares in listed bodies corporate	97,049	(21,979)
Rental expense on operating leases	15,457	18,333
Defined contribution superannuation expense	2,349	1,404
	2,349	1,404

b) Revenue

Revenue from Operating Activities

Interest received from other persons and / or bodies corporate	4,032	11,502
Fair value gains on held-for-trading investments	88,696	--
Dividends and trust distributions received	1,000	8,040
	93,728	19,542

4. A statement of financial position together with notes to the statement. The statement of financial position may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.

	CONSOLIDATED ENTITY	
	2010	2009
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	211,229	62,257
Receivables	46,326	24,614
TOTAL CURRENT ASSETS	257,555	86,871
NON CURRENT ASSETS		
Receivables	--	--
Other financial assets	642,771	1,497,117
TOTAL NON CURRENT ASSETS	642,771	1,497,117
TOTAL ASSETS	900,326	1,583,988
CURRENT LIABILITIES		
Trade and other payables	14,366	15,938
TOTAL CURRENT LIABILITIES	14,366	15,938
TOTAL LIABILITIES	14,366	15,938
NET ASSETS	885,960	1,568,050
EQUITY		
Contributed Equity	10,959,651	10,474,650
Option reserve	1,446,000	1,324,884
Revaluation reserve	639,298	1,391,000
	13,044,949	13,190,534
Accumulated Losses	(12,158,989)	(11,622,484)
TOTAL EQUITY	885,960	1,568,050

+ See chapter 19 for defined terms.

	NOTE	CONSOLIDATED ENTITY	
		2010	2009
		\$	\$
Trade and other receivables			
Current			
Trade and other receivables		60,460	38,748
Provision for Doubtful Debts		(14,134)	(14,134)
		<u>46,326</u>	<u>24,614</u>

A provision for impairment loss is recognised when there is objective evidence that a receivables is impaired. Movements in the provision for impairment of receivables are as follows:

At 1 July	14,134	14,134
Provision for impairment during the year	-	-
Receivables written off during the year as uncollectable	-	-
Unused amount reversed	-	-
	<u>14,134</u>	<u>14,134</u>

Non Current

Unsecured loans to controlled entities	--	--
Other receivables	90,029	90,029
Provision for Non Recoverability	(90,029)	(90,029)
	--	--
	<u>--</u>	<u>--</u>

(a) Impaired trade receivables

As at 30 June 2010 current trade receivables of the group and parent with a nominal value of \$14,134 (2009 - \$14,134) were impaired. The amount of the provision was \$14,134 (2009 - \$14,134)

Current Receivables	46,326	24,614
Over 12 months	<u>14,134</u>	<u>14,134</u>

As at 30 June 2010 non-current trade receivables of the group and parent with a nominal value of \$90,029 (2009 - \$90,029) were impaired. The amount of the provision was \$90,029 (2009 - \$90,029)

Current Receivables		
Over 12 months	<u>90,029</u>	<u>90,029</u>

+ See chapter 19 for defined terms.

	NOTE	CONSOLIDATED ENTITY	
		2010 \$	2009 \$
Other Financial Assets (Non Current)			
Available-for-sale financial assets comprise:			
(a) Investments quoted on a prescribed stock exchange:			
Shares in other bodies corporate at fair value		642,621	1,496,967
(b) Unquoted shares at fair value		--	--
(c) Units in unit trusts at fair value		150	150
(d) Investment in Other Corporation		--	--
Other financial assets comprise:			
(e) Shares in controlled entities at cost:			
Bisan International Pty Ltd (100% holding) (Incorporated in Victoria)			
Bisan International Limited * (100% holding) (Incorporated in Hong Kong)			
Bisan Investment Corporation Pty Ltd (100% holding) (Incorporated in Victoria)			
Australian Commercial Mortgages Pty Ltd (100% holding) (Incorporated in Victoria)			
Elken Tower Pty Ltd (100% holding) (Incorporated in Victoria)			
Toplite Connection Pty Ltd (100% holding) (Incorporated in Victoria)			
		642,771	1,497,117

* Controlled entity for which BDO Audit (NSW-VIC) Pty Ltd has not acted as auditor.

(f) Aggregate quoted market value of investments listed on a prescribed stock exchange at balance date amount to:	642,621	1,496,967
---	---------	-----------

(g) Business Undertakings:

The economic entity has a 50% investment in the issued units of Dynamic Earth Unit Trust. No distribution of income was received during the year and as at 30 June 2010, the trust owed Bisan Limited \$90,029 (2009: \$90,029). A provision for non-collectibility has been raised in relation to the receivable in the amount of \$90,029 (2009: \$90,029).

+ See chapter 19 for defined terms.

	NOTE	CONSOLIDATED ENTITY	
		2010	2009
		\$	\$
Trade and Other Payables			
Unsecured:			
Trade and other payables		3,777	7,376
Other creditors and accruals		10,589	8,562
		14,366	15,938

Contributed Equity

49,979,750 Fully Paid Ordinary Shares
(2009 – 38,894,000)

10,959,651	10,474,650
10,959,651	10,474,650

Movements in ordinary share capital:

	2010		2009	
	No.	\$	No.	\$
Fully paid ordinary shares				
Balance at beginning of period	38,394,000	10,474,650	38,394,000	10,474,650
Issue of shares (a), (c)	11,585,750	485,001	-	-
Balance at end of period	49,979,750	10,959,651	38,394,000	10,474,650

(a)

a. On 3 August 2009 a placement of 5,300,000 Ordinary Shares fully paid were issued for a consideration of \$0.05 each

b. On 25 June 2010 a placement of 6,285,750 Ordinary Shares fully paid were issued for a consideration of \$0.035 each

(b) On 31 August 2007 a placement of 18,000,000 Options were issued for a consideration of \$0.001 each. The conditions for these options are:

a. A performance hurdle of a minimum share price of \$0.20 to be achieved by 31 August 2012; and

b. The options expire 6 months after the performance hurdle is achieved or 31 August 2012, which ever is earlier;

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

+ See chapter 19 for defined terms.

5. A statement of cash flows together with notes to the statement. The statement of cash flows may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 1026 Statement of Cash Flows, or for foreign entities, the equivalent foreign accounting standard.

	NOTE	CONSOLIDATED ENTITY	
		2010	2009
		\$	\$
Cash flows from operating activities:			
Payments to suppliers and employees		(190,964)	(163,460)
Dividends and trust distribution received		1,000	8,040
Interest received		4,032	11,502
Net cash outflows from operating activities		(185,932)	(143,918)
Cash flows from investing activities:			
Proceeds from sale of investments		69,381	--
Advances to joint venture entities		(219,478)	(241,555)
Net cash inflows/(outflows) from investing activities		(150,097)	(241,555)
Cash flows from financing activities:			
Proceeds from issue of shares		485,001	--
Net cash inflows from financing activities		485,001	--
Net increase/(decrease) in cash held		148,972	(385,473)
Cash and cash equivalent at beginning of the financial year		62,257	447,730
Cash and cash equivalent at end of the financial year		211,229	62,257

+ See chapter 19 for defined terms.

NOTES:

(a) Reconciliation of cash

For the purpose of the statements of cash flows, cash includes cash on hand and at bank and short term deposits at call which are readily convertible to cash and which are used in the cash management function on a day to day basis, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:

	NOTE	CONSOLIDATED ENTITY	
		2010	2009
		\$	\$
Cash and cash equivalents		211,229	62,257

(b) Reconciliation of net cash outflows from operating activities to loss after income tax.

Loss after income tax	(536,206)	(1,652,405)
Advances to joint venture entities	219,478	241,555
Impairment in value of investments	-	570,000
Other non-cash movements	154,080	715,658
Change in assets and liabilities		
Decrease (increase) in other debtors	(21,712)	(24,614)
Increase (decrease) in trade creditors	(3,599)	5,073
Increase (decrease) in other creditors	2,027	815
Net cash outflows from operating activities	(185,932)	(143,918)

(c) Financing arrangements – There are no bank overdraft or loan facilities at balance date.

+ See chapter 19 for defined terms.

6. Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.

It has been resolved that no dividend will be payable

7. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

It has been resolved that no dividend will be payable

8. A statement of retained earnings showing movements.

	ECONOMIC ENTITY	
	2010	2009
	\$	\$
Accumulated losses at the beginning of the financial year	(11,622,484)	(9,970,079)
Net loss attributable to members of the parent entity	(536,505)	(1,652,405)
Accumulated losses at the end of the financial year	(12,158,989)	(11,622,484)

9. Net tangible assets per security with the comparative figure for the previous corresponding period.

	2010	2009
Net Tangible Assets Per Security	1.77c	5.57c

10. Details of entities over which control has been gained or lost during the period, including the following.

10.1 Name of the entity.

10.2 The date of the gain or loss of control.

10.3 Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.

No entities have been gained or lost during the period.

+ See chapter 19 for defined terms.

For personal use only

11. Details of associates and joint venture entities including the following.

11.1 Name of the associate or joint venture entity.

11.2 Details of the reporting entity's percentage holding in each of these entities.

11.3 Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.

Name of associate/joint venture	Reporting entity's percentage holding		Contribution to Net profit/(loss) (where material)	
	30 June 2010	30 June 2009	30 June 2010	30 June 2009
(a)Eromanga Hydrocarbons Ltd	5.68%	6.81%	--	--
(b) Size Technologies Australia Pty Ltd	53%	50%	(104,915)	(91,850)

(a) Ownership interest in Eromanga Hydrocarbons Ltd at that company's balance date was 12,535,252 fully paid ordinary shares representing 5.68% of the company's issued capital (30 June 2009: 6.81%). The dilution of this investment has resulted in Bisan no longer holding significant influence over the entity, and therefore equity accounting has been discontinued. This investment is now accounted for as an available for sale financial asset in accordance with AASB 139.

The associated body corporate, Eromanga Hydrocarbons Ltd holds 2,486,000 shares in Bisan Limited via a controlled entity, 101-103 George Street East Melbourne Pty Ltd, representing 4.97% of the parent entity's issued capital.

(b) On 1st July 2008, the Company announced that it had executed a shareholders' agreement with Dr Len Breytenbach et al. that governs a newly created jointly controlled company, Size Technologies Australia Pty Ltd ("STA"). Bisan Limited has a 53% interest in this entity. It is the intention of all parties that STA will further develop and commercialize pelletizing and briquetting technologies for coal and iron ore previously owned and developed by Dr Len Breytenbach, a resident of South Africa. Further details are contained in the announcement to the market on 1st July 2008. This jointly controlled entity is accounted for using the equity method

+ See chapter 19 for defined terms.

For personal use only

Group's aggregate share of associates' and joint venture entities' profits/(losses) (where material):	Current period	Previous corresponding
	\$	period \$
Profit/(loss) from ordinary activities before tax	(104,915)	(91,850)
Income tax on ordinary activities	--	--
Profit/(loss) from ordinary activities after tax	(104,915)	(91,850)
Extraordinary items net of tax	--	--
Net profit/(loss)	(104,915)	(91,850)
Adjustments	--	--
Share of net profit/(loss) of associates and joint venture entities	(104,915)	(91,850)

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

None noted.

13. For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).

Bisan Limited is not a foreign entity

14. A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.

- 14.1 The earnings per security and the nature of any dilution aspects.

The earnings (loss) per security is 1.24 c

- 14.2 Returns to shareholders including distributions and buy backs.

It has been resolved that no dividend will be payable

- 14.3 Significant features of operating performance.

On 1st July 2008, the Company announced that it had executed a shareholders' agreement with Dr Len Breytenbach et al. that governs a newly created jointly controlled company, Size Technologies Australia Pty Ltd ("STA"). Bisan Limited has a 53% interest in this entity. It is the intention of all parties that STA will further develop and commercialize pelletizing and

+ See chapter 19 for defined terms.

For personal use only

briquetting technologies for coal and iron ore previously owned and developed by Dr Len Breytenbach, a resident of South Africa.

- 14.4 The results of segments that are significant to an understanding of the business as a whole.

The consolidated entity operates in Australia and South Africa as an investor in listed and unlisted companies and businesses. This is its primary segment.

- 14.5 A discussion of trends in performance.

In comparison to the previous period, revenue increased whilst expenses and the company's loss decreased.

- 14.6 Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.

None noted.

15. A statement as to whether the report is based on +accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed

Note: If the +accounts have been audited or subject to review, the audit report or review should be provided with the report.

The accounts are in the process of being audited.

16. If the +accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

The accounts are in the process of being audited and are not likely to be subject to dispute of qualification.

17. If the +accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

The accounts are in the process of being audited and are not likely to be subject to dispute of qualification.

Sign here: Date: 31st August 2010
(Director)

Print name: Christian Turner

+ See chapter 19 for defined terms.

For personal use only