

RTL Corporation Limited

ASX Appendix 4E

Preliminary Final Report

Year ended 30 June 2010

Name of entity

RTL CORPORATION LIMITED

ABN

28 106 353 253

Financial year ended ("current year")

30 June 2010

Comparative year ended ("prior year")

30 June 2009

Statement

This report is based on information extracted from the Annual Financial Report of RTL Corporation Limited (Company) and the entities it controlled at the end of, or during the year ended 30 June 2010 (Consolidated Entity or Group) which is currently in the process of being audited.

Results for announcement to the market

	Current Year Actual \$	UP/DOWN	CHANGE \$'000	% CHANGE
Revenues from ordinary activities	32,888	DOWN	103	76%
The decrease in revenues for the year to 30 June 2010 is due to there having been no rental activity for the Company's modified agitator trucks during the year.				
Loss from ordinary activities after tax attributable to members.	(696,156)	DOWN	169	16%
The decreased loss is attributable primarily to non-recurrence of the prior year impairment of Intellectual Property.				
Net loss for the period attributable to members	(696,156)	DOWN	169	16%
As above.				
No dividends have been paid during or are proposed in respect of the financial year ended 30 June 2010.				

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Contents and Index of Listing Rule 4.3A Requirements

1.	Reporting period and the previous corresponding period.	Refer Page 1 of this Appendix 4E.
2.	Results for announcement to the market.	Refer Page 1 of this Appendix 4E.
3.	Statement of financial performance with notes to the statement.	Refer Page 4 of this Appendix 4E.
4.	Statement of financial position with notes to the statement.	Refer Page 5 of this Appendix 4E.
5.	Statement of cash flows with notes to the statement.	Refer Page 6 of this Appendix 4E.
6.	Details of individual and total dividends or distributions and dividend or distribution payments.	None.
7.	Details of 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.	None, not applicable.
8.	Statement of retained earnings.	Refer Page 7 of this Appendix 4E.
9.	Net tangible assets per security.	Refer Page 5 of this Appendix 4E.
10.	Details of entities over which control has been gained or lost during the period.	None.
11.	Details of joint venture entities and associated entities.	None.
12.	Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position	Refer to this Appendix 4E and notes thereto.
13.	Accounting standards used in compiling reports by foreign entities (e.g. International Accounting Standards).	Not applicable.
14.	A commentary on the results for the period.	Refer to Pages 1 & 3 of this Appendix 4E.
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.	Refer Page 1 of this Appendix 4E. This report is based on accounts which 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.	Not applicable.

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Analyses and Discussion

Unaudited Preliminary Income Statement for the year ended 30 June 2010

RTL has recorded a consolidated loss of \$696,156 for the year to 30 June 2010. The loss is attributable to reduced revenues, general operating and administrative costs (including non-cash asset impairment and depreciation expenses of approximately \$215,078). The Company has continued to focus on maintaining a low fixed overhead cost base during the year to 30 June 2010, during which the Company received new equity funds which have enabled it to evaluate a number of potential new projects.

Unaudited Preliminary Balance Sheet as at 30 June 2010

Significant matters pertaining to the consolidated Balance as at 30 June 2010 include the following:

Non-current assets held for sale

Non-current assets held for sale at balance date include RTL's 2 unmodified JCB 718 trucks and the partially-complete third Mine Mixer agitator truck (MM3).

Fixed Assets

RTL's consolidated balance sheet includes fixed assets of \$176,797 at depreciated value, representing the second completed Mine Mixer truck (MM2).

Unaudited Preliminary Statement of Cash Flows for the year ended 30 June 2010

Operating Cash Flows

Operating cash flows include income tax receipts of \$72,800 in relation to settlement of RTL's 2004, 2005 & 2006 R&D returns.

Investing Cash Flows

Investing Cash Flows include net proceeds from the sale of one of the JCB 718s disposed of during the year.

Financing Cash Flows

Cash provided by financing activities include proceeds from RTL share placement to raise \$1.3m before costs announced in December 2009 as well as funds received upon the exercise of options.

RTL Corporation Limited

Unaudited Preliminary Statement of Financial Performance for the year ended 30 June 2010

Consolidated

	Note	2010 \$	2009 \$
Revenue	2	32,888	136,438
Operating Costs	2	(264,886)	(144,445)
Office Costs		(10,483)	(16,361)
Corporate Management Costs		(209,159)	(152,301)
Corporate Compliance Costs		(136,564)	(133,190)
Finance Costs		(2,792)	(15,576)
R&D Expenses		-	-
Other Expenses from Ordinary Activities		(174,832)	(12,656)
Loss before Income Tax Expense / (Benefit)	2	(765,828)	(338,091)
Income Tax Expense / (Benefit)	3		
Loss after Tax from Continuing Operations		(765,828)	(338,091)
Profit / (Loss) after Tax from Discontinued Operations	4	69,672	(723,776)
Net Loss For The Year		(696,156)	(1,061,867)
<i>Loss per share (cents per share)</i>			
Basic / diluted loss per share	5	(0.14)	(0.28)
Basic / diluted loss per share from continuing operations	5	(0.16)	(0.09)

The accompanying notes form part of these unaudited preliminary financial statements

RTL Corporation Limited

Unaudited Preliminary Statement of Financial Position as at 30 June 2010

	Note	2010 Consolidated	2009 \$
Current Assets			
Cash and cash equivalents	6	1,421,581	120,205
Trade and other receivables	7	88,840	124,584
Assets classified as held for sale	4	667,466	926,149
Total Current Assets		2,177,887	1,170,938
Non-Current Assets			
Property, plant and equipment	8	176,798	304,318
Intangible Assets	9	-	-
Total Non-Current Assets		176,798	304,318
Total Assets		2,354,685	1,475,256
Current Liabilities			
Trade and other payables	10	(111,628)	(167,986)
Total Current Liabilities		(111,628)	(167,986)
Total Liabilities		(111,628)	(167,986)
Net Assets		2,243,057	1,307,270
Equity			
Issued capital	11	20,915,431	19,086,488
Reserves		385,269	385,269
Accumulated losses		(18,860,643)	(18,164,487)
Total Equity		2,243,057	1,307,270
Net Tangible Assets (NTA) Per Security			
		2010	2009
Net Tangible Assets (\$'000)		2,243	1,307
Ordinary shares on issue (No.)		645,575,724	387,286,290
NTA per share (cents per share)		0.35	0.34

The accompanying notes form part of these unaudited preliminary financial statements

RTL Corporation Limited

Unaudited Preliminary Statement of Cash Flows for the year ended 30 June 2010

	Note	Consolidated	
		2010	2009
		\$	\$
		Inflows/(Outflows)	
Cash flows from operating activities			
Proceeds from customers		11,242	35,563
Payments to suppliers and employees		(720,239)	(333,253)
Income tax payments		-	(116,976)
Income tax receipts		72,800	142,049
Net cash provided by/(used in) operating activities	6	(636,197)	(272,617)
Cash flows from investing activities			
Payments for property, plant & equipment		(15,705)	(1,352,317)
Proceeds from the disposal of property, plant & equipment		94,243	310,936
Interest received		32,888	36,184
Net cash provided by/(used in) investing activities		111,426	(1,005,197)
Cash flows from financing activities			
Proceeds from share issues		1,900,254	31,000
Share issue costs		(71,315)	(6,076)
Finance costs		(2,792)	(15,576)
Net cash provided by/(used in) financing activities		1,826,147	9,348
Net increase/(decrease) in cash and cash equivalents		1,301,376	(1,268,466)
Cash and cash equivalents at 1 July 2008		120,205	1,388,671
Cash and cash equivalents at 30 June 2009	6	1,421,581	120,205

The accompanying notes form part of these unaudited preliminary financial statements.

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Unaudited Preliminary Statement of Changes in Equity for the year ended 30 June 2010

	Note	Consolidated	
		2010 \$	2009 \$
Share Capital			
At the beginning of the year		19,086,488	19,061,563
Shares issued		1,703,704	31,000
Less transaction costs		(71,761)	(6,075)
At the end of the year	11	20,718,431	19,086,488
Share-based payment reserve			
At the beginning of the year		385,269	385,269
At the end of the year		385,269	385,269
Accumulated Losses			
At the beginning of the year		(18,164,487)	(17,102,620)
Loss for the year		(696,156)	(1,061,867)
At the end of the year		(18,860,643)	(18,164,487)
Total equity / (net deficiency)			
At the beginning of the year		1,307,270	2,344,212
At the end of the year		2,243,057	1,307,270
Total income & expenses recognised in equity for the year			
Loss for the year		(696,156)	(1,061,087)
Net expense recognised directly in equity		-	-
Total recognised income and expense for the year		(696,156)	(1,061,087)

The accompanying notes form part of these preliminary unaudited financial statements.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 1 Statement on significant accounting policies

(a) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 2: Revenue and Expenses

	Consolidated	
	2010	2009
	\$	\$
(a) Revenue		
<i>Continuing Operations</i>		
Revenue from rendering of services (Equipment Rental)	-	61,300
Interest Income	32,888	36,184
Loan forgiveness	-	38,954
<i>Discontinued Operations</i>	-	
Gain on disposal of assets		(31,173)
Market value of shares cancelled in consideration for disposal of Mine Mixers IP	197,000	-
(b) Expenses		
Loss before income tax has been determined after charging:		
<i>Continuing Operations</i>		
Depreciation	(121,727)	(64,354)
Operating Lease Rentals	(132,243)	(78,572)
<i>Discontinued Operations</i>		
Loss on disposal of fixed assets	(33,977)	(5,491)
Impairment of assets held for sale	(93,351)	(60,000)
Impairment of investment		-
Impairment of Intellectual Property	-	(837,250)

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 3: Income Tax

	Consolidated	
	2010	2009
	\$	\$
Income tax recognised in profit or loss		
The major components of tax expense are:		
Current tax expense/(income)	-	-
Adjustments recognised in the current year in relation to the current tax of prior years	-	(97,873)
Total tax expense/(income)	-	(97,873)
Attributable to:		
Continuing operations	-	-
Discontinued operations	-	(97,873)

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Accounting loss before tax from continuing operations	(859,370)	(338,091)
Loss before tax from discontinued operations	(33,970)	(723,776)
Accounting loss before income tax	(893,347)	(1,061,867)
Income tax benefit calculated at 30%	268,004	318,560
Non-deductible expenses		(251,175)
Income tax losses not brought to account	(268,004)	(67,385)
Research & development offset received and receivable in respect of prior years	-	97,873
Income tax benefit from continuing operations reported in the consolidated income statement	-	-
Income tax benefit attributable to discontinued operations	-	97,873

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in this tax rate since the previous reporting period.

The Group has tax losses arising in Australia of \$3,122,774 (2009: \$2,859,770) that are available indefinitely for offset against future taxable profits of the companies in which the losses arose. The availability of these losses is subject to the satisfaction of either the same business or continuity of ownership tests.

Deferred tax assets have not been recognised in respect of these items because it is not sufficiently probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 4: Discontinued Operations

During 2009, following approval by shareholders, the Company disposed of the rights to the Mine Mixers Intellectual Property in return for the cancellation of all RTL shares issued to EDMSO upon RTL's acquisition of the technology.

Under the transaction with EDMSO, the Consolidated Entity has retained the Mine Mixers tangible assets and the right to sell or operate and hire its completed Mine Mixers. Accordingly the activities directly associated with the operation and rental of those assets have been classified as continuing operations.

Disclosures in relation to the discontinued businesses are as follows:

	Consolidated	
	2010	2009
	\$'000	\$'000
Revenue	197,000	31,173
Operating costs	-	(62,733)
Office costs	-	(867)
Management costs	-	-
Compliance costs	-	-
Impairment writedowns	(93,351)	(837,250)
Other expenses / income	(33,977)	48,028
Profit/(Loss) before tax from discontinued operations	69,672	(821,649)
Income tax benefit	-	97,873
Profit/(Loss) for the year from discontinued operations	69,672	(723,776)
Cash flows from discontinued operations:		
Net cash flows from operating activities	11,242	(55,469)
Net cash flows from investing activities	157,468	(1,005,197)
Net cash flows from financing activities	-	-
Net cash flows	168,710	(949,728)

The assets comprising the operations classified as held for sale at balance date are the Group's inventories of modified and unmodified JCB 718 dump trucks which have not been brought into use. The inventories are carried at cost, less provision for impairment and have a net carrying value of \$667,466.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 5: Earnings / (Loss) per share

	Consolidated	
	2010 Cents per share	2009 Cents per share
<i>Basic earnings per share:</i>		
Continuing operations	(0.16)	(0.09)
Discontinued operations	0.02	(0.19)
Total basic earnings per share	(0.14)	(0.28)
<i>Diluted earnings per share:</i>		
Continuing operations	(0.16)	(0.09)
Discontinued operations	0.02	(0.19)
Total diluted earnings per share	(0.14)	(0.28)
	2010 No.	2009 No.
Loss after tax (used in calculation of basic / diluted loss per share)	(696,156)	(1,061,867)
Adjustment for discontinued operations	(69,672)	723,776
Loss from continuing operations after tax (used in calculation of basic / diluted loss per share from continuing operations)	(765,828)	(338,091)
	2010 No.	2009 No.
Weighted average number of ordinary shares used as the denominator in calculating basic / diluted loss per share	481,144,760	379,489,714

As the entity is loss-making in both the current and prior year, no potential ordinary shares are considered to be dilutive as they would act to decrease the loss per share (& loss per share from continuing activities).

The options on issue (note 12) represent potential ordinary shares but are not dilutive and accordingly have been excluded from the weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted earnings per share.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 6: Cash and Cash Equivalents

	Consolidated	
	2010	2009
	\$'000	\$'000
Cash at bank and on hand	1,421,581	120,205
	1,421,581	120,205

Cash at bank earns interest at floating rates based on daily bank deposit rates.

(i) Reconciliation to Cash Flow Statement:

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of outstanding bank overdrafts.

Cash and cash equivalents as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:

Cash and cash equivalents	1,421,581	120,205
	1,421,581	120,205

(ii) Reconciliation of loss for the year to net cash outflows from operating activities

Loss for the year	(696,156)	(1,061,867)
(Gain)/loss on sale or disposal of non-current assets	34,477	(25,682)
(Gain)/loss on cancellation of shares	(197,000)	-
Creditor Forgiveness	-	(38,954)
Depreciation	121,727	64,354
Interest paid	2,792	15,576
Interest received	(32,888)	(36,184)
Impairment of assets	93,351	897,250
Increase/(decrease) in debtors	93,858	(124,584)
Increase/(decrease) in creditors and accruals	(56,358)	37,474
Net cash from operating activities	(636,197)	272,617

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 7: Trade & Other Receivables

	Consolidated	
	2010	2009
	\$	\$
Trade receivables	72,475	33,517
ATO R&D rebate receivable	-	72,800
Other receivables	16,365	18,267
	88,840	124,584

Note 8: Plant & Equipment

Cost	365,182	365,182
Accumulated depreciation and impairment	(182,385)	(60,864)
Net carrying amount	182,797	304,318

A reconciliation of movements in plant & equipment during the current & prior financial year is as follows:

Opening balance	304,318	287,757
Depreciation	(121,727)	(64,354)
Disposals	-	(285,433)
Additions	-	1,352,317
Impairment writedown	(5,794)	-
Transferred to assets held for sale	-	(986,149)
Closing balance	176,797	304,138

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 9: Intangible Assets

	Consolidated	
	2010	2009
	\$	\$
Acquired Intellectual Property at Cost	-	837,250
Provision for Impairment	-	(837,250)
Net carrying amount	-	-

Assessment of recoverable amount for the Mine Mixers IP resulted in an impairment loss being recognised in the half-year to 31 December 2008 of \$837,250. The impairment loss of \$837,250 represents the write-down of those intangible assets to estimated fair value less costs to sell. The impairment loss has been recognised in the income statement as a separate line item. The recoverable amount was based on fair value less costs to sell and was determined at the cash-generating unit level. The cash-generating unit consists of the Mine Mixers business, excluding its tangible assets.

Note 10: Trade & Other Payables

Trade Creditors & Accruals	(85,128)	(93,186)
Related party payables	(26,500)	(74,800)
Total Trade & Other Payables	(111,628)	(167,986)

Trade payables are non-interest bearing and are normally settled on 60-day terms.

Related party payables as at balance date relate to Company Secretarial and consulting fees owed to Erasmus Consulting Pty Ltd (an entity associated with Mr Alex Neuling, a Director, which is owed \$13,500), Mr Robert Hemphill (who is owed \$8,000) and Mr Michael Griffiths (who is owed \$5,000). No interest is currently being levied on these payables.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 11: Contributed Equity

Share Capital

	Parent & Group		Parent & Group	
	2010 Shares	2009 Shares	2010 \$	2009 \$
Ordinary shares issued and fully paid (i)	645,575,724	387,926,289	20,718,431	19,086,488
<i>Performance Shares</i>				
Class "C" (ii)	-	-	-	-
EDMSO Class "A" (iii)	-	50,000,000	-	-
EDMSO Class "B" (iv)	-	75,000,000	-	-
EDMSO Class "D" (v)	-	75,000,000	-	-
	-	200,000,000	-	-
Total Contributed Equity			20,718,431	19,086,488

- (i) Fully paid ordinary shares carry one vote per share and carry the right to dividends. Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of share capital and issued shares do not have a par value.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Movements in Share Capital during the current and prior financial years are as follows:

Ordinary Shares

	Date	No.	Issue Price	\$
Balance as at 1 July 2008		377,592,903		19,061,047
Share Issue (SPP)	24 April 2009	10,333,325	0.3c	31,000
Conversion of Class "C"	11 May 2009	61		516
Costs of Issue				(6,075)
Balance as at 30 June 2009		387,926,289		19,086,488
Share Issue (tranche 1 of placement)	2/12/2009	33,867,628	0.005	169,338
Share issue (tranche 2 of placement Part 1)	5/2/2010	174,123,662	0.005	870,618
Share issue (tranche 2 of placement Part 2)	11/2/2010	52,275,000	0.005	261,375
Shares Redeemed		20,000,000	0.01	200,000
Shares Redeemed		26,633,145	0.015	399,497
Shares cancelled /redeemed		(49,250,000)		(197,000)
Costs of Issue				(71,885)
Balance as at 30 June 2010		645,575,724		20,718,431

Performance Shares

	Date	No.	Issue Price	\$
Balance as at 1 July 2008		11,300,000		516
Class "A" Issue	8 Sept 2008	50,000,000	-	-
Class "B" Issue	8 Sept 2008	75,000,000	-	-
Class "D" Issue	8 Sept 2008	75,000,000	-	-
Conversion of Class "C"	11 May 2009	(11,300,000)	-	(516)
Balance as at 30 June 2009		200,000,000		-
Class "A" Issue		(50,000,000)	-	-
Class "B" Issue		(75,000,000)	-	-
Class "D" Issue		(75,000,000)	-	-
Conversion of Class "C"			-	
Balance as at 30 June 2010		-		-

The Class "A" "B" and "D" performance shares lapsed and shareholders approved the disposal of the Mine Mixers IP. The effect of these changes was to reduce the Company's issued share capital by 49,250,000 Fully Paid Ordinary Shares and nil performance shares.

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Options

The Company has the following classes of options on issue as at balance date:

Type	2010 No.	2009 No.	Exercise Price	Expiry Date
1		20,000,000	1.0c	31/3/2010
2	5,000,000	5,000,000	1.3c	10/10/2010
3	103,500,000		1.5c	31/12/2011
Total	108,500,000	25,000,000		

The options are not listed and carry no dividend or voting rights. Upon exercise, each option is convertible into one ordinary share to rank pari passu in all respects with the Company's existing fully paid ordinary shares

Movements in the number of options on issue during the current and prior financial years are as follows:

	Grant Date	No.	Type
Balance as at 1 July 2008		20,000,000	1
Grant to parties nominated by EDMSO for introduction of Mine Mixers opportunity	8 September 2008	5,000,000	2
Balance as at 30 June 2009		25,000,000	
Tranche 1 of Placement	2 nd December 2009	16,933,814	3
Tranche 2 of Placement	11 th February 2010	113,199,331	3
Options Exercised		(26,633,145)	3
Options Exercised		(20,000,000)	1
Balance as at 30 June 2010		108,500,000	

46,633,145 shares were issued during the year to 30 June 2010 as a result of the exercise of options to the date of this report (2009: nil).

Note 12: Commitments and Contingencies

Operating lease commitments – Group as lessee

The Group entered into a commercial sale and leaseback arrangement over the first completed Mine Mixer (MM1) during the first half of the prior financial year. The lease security incorporates the second Mine Mixer (MM2) and the lease term had six months remaining as at balance date.

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	Consolidated	
	2010 \$	2009 \$
Within one year	59,867	143,682
After one year but not more than five years	-	59,867
More than five years	-	-
-	59,867	203,549

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 13: Segment Reporting

Segment Information

The Group's primary segment reporting format is business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced.

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group has operated in three primary business segments during the last 2 financial years, being:

- the Construction & Commercialisation of Mining Services Technology (principally the Mine Mixer agitator truck) (abbreviated in this note to "MST-C&C");
- the Operation & Rental of its Completed Mining Services assets ("MST-O&R"); and,
- the evaluation of New Projects ("NP").

All of these segments operate within Australia.

During the year to 30 June 2010, the shareholders approved the sale of Mine Mixer technology to EDMS in return for the cancellation of the entire share consideration issued to EDMS for that technology in 2008. RTL, through its wholly-owned subsidiary, has retained the ownership and operatorship of associated tangible assets. As a result, upon shareholder approval a profit of \$197,000 was recognised in relation to the market value (at that time) of 49,250,000 fully paid ordinary shares cancelled under the transaction.

The decision was made towards the end of the year ended 30 June 2009, to discontinue the Construction & Commercialisation of the Mine Mixers agitator trucks and start pursuing other projects. Refer note 4 for further details.

Business segments

The following table's present revenue and profit information and certain asset and liability information regarding business segments for the year ended 30 June 2010.

Segment revenues & expenses

<u>Revenue</u>	Consolidated (\$)		
	Continuing	Discontinued	Total
MST- C&C	-	197,000	197,000
MST – O&R	-	-	-
NP	-	-	-
Corporate – unallocated	32,888	-	32,888
Total	32,888	197,000	229,888

Revenues of \$32,888 were derived from investment income during the year. As stated above the revenues derived from the Construction or Operations of the Mine Mixers Trucks segment relate to the market value of the shares cancelled under sale of this technology. (2009: \$167,611). No inter-segment revenues were recorded (2009: nil).

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Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

	Consolidated (\$)		
	Continuing	Discontinued	Total
<u>Segment Expenses</u>			
Depreciation			
MST – O&R	121,727	-	121,727
Corporate – unallocated		-	
Total	121,727	-	121,727
Evaluation Expense			
NP	151,688		151,688
Total	151,688		151,688
Impairment of inventories			
MST- C&C	-	87,559	87,559
Total	-	87,559	87,559
Impairment of Intangible Assets			
MST- C&C	-	-	-
Total	-	-	-
<u>Segment Assets</u>			
Fixed Assets			
MST – O&R	176,798	-	176,798
Total	176,798	-	176,798
Assets held for sale (inventories)			
MST – O&R	-	667,466	667,466
Total	-	667,466	667,466
<u>Segment Liabilities</u>			
MST C&C	-	-	-
Unallocated - Corporate	-	(111,514)	(111,514)
Total	-	(111,514)	(111,514)
<u>Acquisitions of segment assets</u>			
MST C&C*		-	-
Total	-	-	-
	Consolidated (\$)		
	Continuing	Discontinued	Total
<u>Segment Results</u>			
MST – C&C	-	-	-
MST – O&R	(358,237)	(127,328)	(485,565)
NP	(151,688)		(151,688)
Corporate – unallocated	(255,903)	197,000	(58,903)
Total	(765,828)	69,672	(696,156)

RTL Corporation Limited

Notes to the Unaudited Preliminary Financial Statements for the Year ended 30 June 2010

Note 14: Events After the Balance Sheet Date

On 18th August 2010 the board of directors announced that legal and technical due diligence activities relating to the Company's call option agreement (**Call Option**) with Dugal Pty Ltd (**Dugal**) had successfully concluded and RTL had now exercised the Call Option (subject to settlement, which is conditional upon shareholder approval). The Company will be required to re-comply with Chapters 1 & 2 of the ASX listing rules as it will result in a significant change to the nature and scale of the Company's activities.

If shareholders vote to approve the change in RTL's activities and in favour of the settlement of the Dugal Call Option, a further 200 million ordinary shares, 200 million options and 50 million Performance Shares will be issued to the Dugal investors.

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