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**Engenium Pty Ltd**

**A.B.N. 52105152994**

**Interim Financial Report**

**31 December 2010**

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## DIRECTORS' REPORT

Your directors submit the financial report of the Company for the half-year ended 31 December 2010. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

### Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Jeffrey Brill	Director
Michael Begley	Director
Damir Panzich	Director
Gregory O'Rourke	Director
David Sourbutts	Director

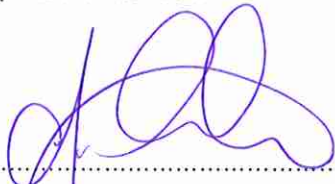
### Review of Operations

Engenium's operations include project management and engineering services for the delivery of extractive mining projects throughout Australia. The clients include junior exploration companies and major multinational producers and are developing projects across a range of commodities. These projects include greenfields projects including process plant and equipment, civil and building works, services and infrastructure through to brownfields projects including small scopes of work.

### Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 4 and forms part of this directors' report for the half-year ended 31 December 2010.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



JEFFREY BRILL

Director

14 April 2011

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Accountants | Business and Financial Advisers

#### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Engenium Pty Ltd for the half-year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Engenium Pty Ltd.

A handwritten signature in blue ink, appearing to read 'W M Clark'.

Perth, Western Australia  
14 April 2011

W M CLARK  
Partner, HLB Mann Judd

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**CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Notes	31 December 2010 \$
<b>Continuing operations</b>		
Revenue		<b>6,625,890</b>
Other income	2	<b>327,857</b>
General and administrative expenses	2	(198,398)
Marketing and business development		(47,683)
Employee benefits expense		(4,955,006)
Occupancy costs		(236,180)
IT expense		(46,261)
<b>Profit before income tax</b>		<b>1,470,219</b>
Income tax expense		(402,561)
<b>Net profit for the period</b>		<b>1,067,658</b>
<b>Other comprehensive income</b>		-
<b>Total comprehensive income for the period</b>		<b>1,067,658</b>

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**CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2010**

	Notes	31 December 2010 \$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents		1,827,511
Trade and other receivables		2,153,378
Other assets	6	7,704,428
<b>Total Current Assets</b>		<u>11,685,317</u>
<b>Non-Current Assets</b>		
Property, plant and equipment		533,175
Deferred tax asset		6,755
<b>Total Non-Current Assets</b>		<u>539,930</u>
<b>Total Assets</b>		<u>12,225,247</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables		600,883
Provisions		171,755
Current tax liabilities		293,650
Other liabilities		265,030
<b>Total Current Liabilities</b>		<u>1,331,318</u>
<b>Non Current Liabilities</b>		
Deferred tax liability		1,299
<b>Total Non Current Liabilities</b>		<u>1,299</u>
<b>Total Liabilities</b>		<u>1,332,617</u>
<b>Net Assets</b>		<u>10,892,630</u>
<b>Equity</b>		
Issued capital	3	1,200
Reserves		-
Retained earnings		10,891,430
<b>Total Equity</b>		<u>10,892,630</u>

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**CONDENSED STATEMENT OF CHANGES IN EQUITY  
AS AT 31 DECEMBER 2010**

	Notes	Issued Capital	Retained earnings	Total
		\$	\$	\$
<b>Balance at 1 July 2010</b>		<b>1,200</b>	<b>20,707,772</b>	<b>20,708,972</b>
Total comprehensive income for the period		-	1,067,658	1,067,658
Dividends paid or provided for	4	-	(10,884,000)	(10,884,000)
<b>Balance at 31 December 2010</b>		<b>1,200</b>	<b>10,891,430</b>	<b>10,892,630</b>

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**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

	Notes	31 December 2010 \$
		<u>Inflows/(Outflows)</u>
<b>Cash flows from operating activities</b>		
Receipts from customers		6,337,342
Payments to suppliers and employees		(5,693,924)
Income tax paid		(8,904,427)
Interest received		540,011
Net cash (outflow) from operating activities		<u>(7,720,998)</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment		(6,277)
Receipts from sale of joint venture		2,500,000
Net cash inflow/ from investing activities		<u>2,493,723</u>
<b>Cash flows from financing activities</b>		
Dividends paid		(10,884,000)
Net cash (outflow) from financing activities		<u>(10,884,000)</u>
Net (decrease) in cash held		(16,111,275)
Cash and cash equivalents at the beginning of the period		17,938,786
<b>Cash and cash equivalents at the end of the period</b>		<u><b>1,827,511</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Statement of compliance**

These interim financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2010.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**Basis of preparation**

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

**Significant accounting judgments and key estimates**

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

**Adoption of new and revised Accounting Standards**

In the half-year ended 31 December 2010, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2010.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Company accounting policies.

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2010. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to Company accounting policies.

**Comparatives**

This financial report does not contain any comparatives, as this is the first period that Engenium Pty Ltd has prepared an interim financial report and as such there are no comparatives for 31 December 2009 available.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 2: PROFIT BEFORE INCOME TAX EXPENSE**

	31 December 2010 \$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:	
Interest income	320,949
Miscellaneous income	7,173
Loss on disposal of fixed asset	(265)
Depreciation	(56,993)

**NOTE 3: ISSUED CAPITAL**

	31 December 2010 \$
<i>Ordinary shares</i>	
Issued and fully paid	1,200

	31 December 2010 No	31 December 2010 \$
<i>Movements in ordinary shares on issue</i>		
At 1 July 2010	1,200	1,200
At 31 December 2010	1,200	1,200

**NOTE 4: DIVIDENDS**

	31 December 2010	
	Dollars per share	Total
<i>Dividends provided for or paid during the half-year</i>		
Final dividend on fully paid ordinary shares fully franked	9,070	10,884,000

The directors of the Company paid a fully franked interim dividend of \$95.83 per share to shareholders on 18 January 2011. As this dividend was declared after the period end it has not been included as a liability in these financial statements. Total dividend paid was \$115,000.

The directors of the Company paid a fully franked interim dividend of \$2,325 per share to shareholders on 8 February 2011. As this dividend was declared after the period end it has not been included as a liability in these financial statements. Total dividend paid was \$2,790,000.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

### NOTE 5: SEGMENT REPORTING

The Company has adopted AASB 8 Operating Reporting Segments which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Board of Engenium Pty Ltd reviews internal reports prepared as financial statements and strategic decisions of the company are determined upon analysis of these internal reports. The company operates predominantly in one business and geographical segment being project delivery services to resource and infrastructure clients throughout Australia. Accordingly, under the 'management approach' outlined only one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

### NOTE 6: OTHER CURRENT ASSETS

	31 December 2010
	\$
Prepayments	138,309
Calibre Global Receivable (i)	7,500,000
Lightshare Investments Receivable (Note 8)	50,235
Resource Development Group Ltd Receivable (Note 8)	25,410
Accrued Income	(9,966)
Sundry Receivables	440
	<u>7,704,428</u>

- (i) Calibre Engenium Joint Venture Ltd was sold during the 30 June 2010 year end. \$7,500,000 is receivable as at 31 December 2010.

### NOTE 7: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

### NOTE 8: RELATED PARTY TRANSACTIONS

Engenium Pty Ltd provided corporate services to Lightshare Investments Pty Ltd totalling \$162,686 during the period. As at 31 December 2010, the balance owing to Engenium Pty Ltd was \$50,235. Engenium Pty Ltd is 100% owned by Lightshare Investments Pty Ltd.

Lightshare Investments Ltd provided corporate services to Engenium Pty Ltd totalling \$115,787 during the period. As at 31 December 2010, the balance owing to Lightshare Investments Pty Ltd was \$Nil. Engenium Pty Ltd is 100% owned by Lightshare Investments Pty Ltd.

Engenium Pty Ltd paid expenses on behalf of Resource Development Group Ltd totalling \$25,410 during the period. As at 31 December 2010, the balance owing to Engenium Pty Ltd was \$25,410. Resource Development Group Ltd is related to Engenium Pty Ltd by way of common owners and directors.

Engenium Pty Ltd provided corporate services to Pacer Corporation Pty Ltd totalling \$3,900 during the period. As at 31 December 2010, the balance owing to Engenium Pty Ltd was \$2,541. Pacer Corporation Pty Ltd is a 45% owned by Lightshare Investments Pty Ltd the parent company of Engenium Pty Ltd.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

**NOTE 8: RELATED PARTY TRANSACTIONS (continued)**

Pacer Corporation Pty Ltd provided corporate services to Engenium Pty Ltd totalling \$1,110 during the period. As at 31 December 2010, the balance owing to Pacer Corporation Pty Ltd was \$Nil. Pacer Corporation Pty Ltd is a 45% owned by Lightshare Investments Pty Ltd the parent company of Engenium Pty Ltd.

**NOTE 9: EVENTS SUBSEQUENT TO REPORTING DATE**

On 22 February 2011, Lightshare Investments Pty Ltd the parent company of Engenium Pty Ltd entered into a share sale agreement with Resource Development Group Ltd to sell its interest in Engenium Pty Ltd to Resource Development Group Ltd. At the date of this report this transaction has yet to be completed.

The directors of the Company paid a fully franked interim dividend of \$95.83 per share to shareholders on 18 January 2011. Total dividend paid was \$115,000.

The directors of the Company paid a fully franked interim dividend of \$2,325 per share to shareholders on 8 February 2011. Total dividend paid was \$2,790,000.

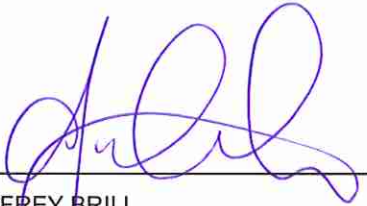
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**DIRECTORS' DECLARATION**

In the opinion of the directors of Engenium Pty Ltd ('the Company'):

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001 including:
  - a. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - b. giving a true and fair view of the company's financial position as at 31 December 2010 and of its performance for the half-year then ended.
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.



JEFFREY BRILL  
Director

14 April 2011

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**INDEPENDENT AUDITOR'S REVIEW REPORT**

**To the members of  
Engenium Pty Ltd**

**Report on the Interim Financial Report**

We have reviewed the accompanying half-year financial report of Engenium Pty Ltd ("the Company") which comprises the condensed statement of financial position as at 31 December 2010, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Interim Financial Report*

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the director's determine is necessary to enable the preparation of the interim financial report that is free from material misstatements, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001*, including giving a true and fair view of the company's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Engenium Pty Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Engenium Pty Ltd is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position at 31 December 2010 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in blue ink that reads 'HLB Mann Judd'.

**HLB MANN JUDD**  
**Chartered Accountants**

A handwritten signature in blue ink that reads 'W M Clark'.

**W M CLARK**  
**Partner**

**Perth, Western Australia**  
**14 April 2011**

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