

Appendix 4E

PRELIMINARY FINAL REPORT 12 MONTHS ENDED 30 JUNE 2011

Details of the reporting period and the previous corresponding period

Name of entity

Resource Development Group Limited

ABN	Reporting period	Previous corresponding period
33 149 028 142	12 months ended 30/06/11	12 months ended 30/06/10

Results for announcement to the market

Revenues from continuing activities	Down	15.7%	to	A\$14,201,899
Profit from ordinary activities after tax attributable to members	Down	94%	to	A\$1,513,281
Comprehensive income for the year attributable to Members	Down	94%	to	A\$1,513,320
Dividends	Amount per share	Franked amount per share		
Interim dividend	32.613 cents	32.613 cents		
Final Dividend	Nil	Nil		
Record date for determining entitlements to the dividend	N/A			
<p>Revenue from continuing activities included non-recurring dividends of A\$5,300,000 received from Calibre Engenium Joint Venture in 2010. Engenium Pty Ltd sold its 50% shareholding in CEJV, recorded net gains of A\$29,849,104 in 2010.</p> <p>On 17 May 2011, Engenium Pty Ltd completed a reverse acquisition of Resource Development Group Limited. In a reverse acquisition situation, it is the continuing company's accounts that form the basis of the consolidation. As such, the comparative figures for the previous year ended 30 June 2010 reflect only the results of Engenium operations.</p>				

REVIEW OF OPERATIONS

Our Performance

Resource Development Group's strategy is to build a vertically integrated mining services business. This strategy was implemented on ASX listing with the acquisition of Engenium, an established and respected project delivery services company. Engenium has a range of clients in the resources and infrastructure sector. Starting with Engenium, Resource Development Group's long-term business strategy of creating a vertically integrated resource development company will provide its clients in the resource and infrastructure sectors with a complete "life of mine service offering". That is, from mine project inception through to ongoing mining operations. Via acquisitions and organic growth, Resource Development Group intends to drive this expansion in Australia and offshore.

Resource Development Group achieved a significant milestone during the year, with completion of a \$3.5 million IPO and ASX Listing in May 2011.

Our Operations

With the establishment of Resource Development Group late in the financial year, the sole operating subsidiary of the group was Engenium Pty Ltd.

Engenium's business model is the project management, engineering, procurement and construction management of resource projects for Australia's blue chip and emerging mining houses. The key skills provided by Engenium to its clientele throughout the year include:

- Assisting in determining the viability of major projects through feasibility studies
- Development of fast track project delivery strategies and project planning
- Engineering design of mine processing, infrastructure and logistics from mine pit to port
- Managing project delivery and undertaking negotiations on behalf of the client to maximise their project investment and to achieve maximum financial returns

Engenium has an established client base of blue chip mining houses and continued throughout the year to service BHP Billiton Limited, Rio Tinto Limited and Fortescue Metals Group Limited.

Engenium also has a client base of mid-tier and emerging miners and explorers including Atlas Iron Limited, Sherwin Iron, Macarthur Minerals Limited, Radar Iron Limited, Winmar Resources Limited and Sinosteel Midwest Limited.

Engenium's operational structure consists of four divisions:

- Greenfield projects
- Brownfield projects
- Major project services
- Design support for design and construct contractors

All of the divisions were successful throughout the year in delivering their projects.

Engenium's head office is in Perth, Western Australia where the bulk of the activity for the year was completed. Resource Development Group currently co-habits the Engenium offices for corporate efficiency and effective communications.

Engenium have also established a presence in both Queensland and London UK within the past six months. In Brisbane, Engenium has supported East West Line Parks develop Project Iron Boomerang and have mobilised a team to work from the client's office.

Engenium established a presence in London and mobilised a team to service SMFG, a joint venture between Newmont, BHP Billiton and AREVA. Engenium has a contract in place to supply project services personnel to the Nimba project team for the selection phase study. The Nimba project is an African iron ore development. The

support of this project required the establishment of a UK based entity, Engenium Projects Pty Ltd, wholly owned by Engenium Pty Ltd.

Our Approach

With the aim to build the Company into a complete supplier of solutions to mining and infrastructure clients, the Company is reviewing organic growth opportunities and potential acquisitions.

The Company's acquisition policy has been to identify assets for acquisition that:

- expand the Group's current business activities and service offering
- have a strong reputation, management team and client list that adds value to the Company
- can be successfully integrated into the Group
- are earnings accretive

The Company will also seek to identify and assess resource projects that it can take an equity position in to add value and facilitate the development to production.

Outlook

Resource Development Group intends to develop and operate businesses both upstream and downstream of the current services offering provided by Engenium, enabling the Company to develop into a vertically integrated services business.

Resource Development Group's immediate objectives are:

- To build the Company into a vertically integrated resource services business using Engenium as the cornerstone
- To expand the Company's current business activities by a combination of organic growth and acquisition
- To exploit synergies between Group companies and leverage off existing client relationships with a view to providing additional services

Resource Development Group will look to build the Group through organic growth as well as through acquisitions.

During the year, Resource Development Group has monitored Pacer Corporations performance via an option purchase agreement.

Founded in 2001, and operating in Bunbury, Western Australia, Pacer provides EPC (design and construct) and EPCM (cost reimbursable) services to clients in the resources and infrastructure sectors.

The key personnel in the Pacer management team have extensive experience working together at other organisations, and are now successfully delivering engineering and construction solutions to major customers such as Iluka Resources Limited, OM Holdings Limited, Shark Bay Resources, Silver Lake Resources Limited and Verve Energy.

Should the board decide to exercise the option to acquire Pacer, it will allow the Resource Development Group to offer additional services predominantly in the delivery of EPC or D&C contracts for process plants and materials handling projects.

INCOME STATEMENT

	2011 A\$	2010 A\$
Revenue	14,201,899	16,851,835
Other Income	-	29,849,104
Employee benefits expenses	(10,772,403)	(9,252,318)
Depreciation and amortisation expense	(134,994)	(175,207)
Finance costs	(9,678)	(6,431)
Other expenses	(1,113,428)	(937,772)
Profit before income tax expense	2,171,396	36,329,211
Income tax expense	(658,115)	(9,209,833)
Net profit for the year	1,513,281	27,119,378
Other comprehensive income		
Exchange differences on translation of foreign operations	39	-
Total comprehensive income for the year	1,513,320	27,119,378
Basic earnings per share (cents per share)	2.11 cents	39.33 cents
Diluted earnings per share (cents per share)	2.11 cents	39.33 cents

BALANCE SHEET

	2011 A\$	2010 A\$
CURRENT ASSETS		
Cash and cash equivalents	4,378,527	17,938,786
Trade and other receivables	2,964,812	11,561,004
TOTAL CURRENT ASSETS	7,343,339	29,499,790
NON-CURRENT ASSETS		
Property, plant and equipment	733,013	584,727
Deferred tax assets	341,536	59,987
TOTAL NON-CURRENT ASSETS	1,074,549	644,714
TOTAL ASSETS	8,417,888	30,144,504
CURRENT LIABILITIES		
Trade and other payables	921,313	381,863
Current tax liabilities	434,216	8,743,744
Provisions	303,590	203,623
TOTAL CURRENT LIABILITIES	1,659,119	9,329,230
NON-CURRENT LIABILITIES		
Other payables	3,700,000	-
Deferred tax liabilities	2,268	106,302
TOTAL NON-CURRENT LIABILITIES	3,702,268	106,302
TOTAL LIABILITIES	5,361,387	9,435,532
NET ASSETS	3,056,501	20,708,972
EQUITY		
Issued capital	3,324,448	1,200
Forex translation reserve	(39)	-
Retained earnings	(267,908)	20,707,772
TOTAL EQUITY	3,056,501	20,708,972

STATEMENT OF CHANGES IN EQUITY

	Ordinary Shares A\$	Retained Earnings A\$	Other Reserve A\$	Total A\$
EQUITY				
Balance as at 1 July 2009	1,200	5,108,394	-	5,109,594
Profit for the year	-	27,119,378	-	27,119,378
Dividends paid or provided for	-	(11,520,000)	-	(11,520,000)
Balance as at 30 June 2010	1,200	20,707,772	-	20,708,972
Balance as at 1 July 2010	1,200	20,707,772	-	20,708,972
Profit for the year	-	1,513,281	-	1,513,281
Shares issued during the year	3,196,784	-	-	3,196,784
Exchange differences arising on translation of foreign operations	-	39	(39)	-
Dividends paid or provided for	-	(22,489,000)	-	(22,489,000)
Share-based payments	126,464	-	-	126,464
Balance as at 30 June 2011	3,324,448	(267,908)	(39)	3,056,501

STATEMENT OF CASH FLOWS

	2011 A\$	2010 A\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	13,812,070	13,793,900
Payments to suppliers and employees	(12,798,400)	(11,739,739)
Interest received	561,764	212,833
Finance costs	(9,678)	(6,431)
Income tax paid	(9,153,757)	(1,064,779)
Net cash (used in)/generated from operating activities	(7,588,001)	1,195,784
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(292,913)	(13,620)
Proceeds from disposal of investments	5,000,000	20,000,000
Dividends received	-	6,100,000
Net cash generated from/(used in) investing activities	4,707,087	26,086,380
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	3,500,015	-
Costs of share issue	(390,358)	-
Dividends paid	(13,789,000)	(11,520,000)
Net cash provided by/(used in) financing activities	(10,679,343)	(11,520,000)
Net (decrease)/increase in cash held	(13,560,257)	15,762,164
Cash and cash equivalents at the beginning of the financial year	17,938,786	2,176,622
Effect of currency fluctuations on cash	(2)	-
Cash and cash equivalents at the end of the financial year	4,378,527	17,938,786

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 statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash and cash equivalents as per balance sheet	4,378,527	17,938,786
Bank overdraft	-	-
Cash and cash equivalents as per cash flow statement	4,378,527	17,938,786

NOTES

1 BASIS OF PREPARATION

The preliminary final report of Resource Development Group Limited for the year ended 30 June 2011 does not include all notes of the type normally included within the annual financial report and therefore can not be expected to provide as full an understanding of the financial performance, financial position and cash flow of the Company as the full financial report.

(a) Basis of accounting

The preliminary final report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities, which the fair value basis of accounting has been applied.

All amounts are presented in Australian dollars, unless otherwise stated.

On 17 May 2011, Engenium Pty Ltd completed a reverse acquisition of Resource Development Group Limited. In this situation it is the continuing company's accounts that form the basis of the consolidation and therefore the comparative figure for the previous year reflect Engenium financial results only.

Unless otherwise detailed in this note, accounting policies have been consistently applied by the Company and are consistent with those applied in the 30 June 2011 annual report.

2 REVENUE

	2011 A\$	2010 A\$
Operating activities		
Rendering of services	13,856,279	11,123,735
Dividends received from CEJV	-	5,300,000
Bank interest receivable	345,620	428,100
	14,201,899	16,851,835

	2011 A\$	2010 A\$
Other income		
Profit on disposal of CEJV	-	29,849,104
	-	29,849,104

3 FINANCIAL RESULTS

The Group recorded a net profit of A\$1,513,281 for the year ended 30 June 2011 compared to a net profit of A\$27,119,378 for the year ended 30 June 2010.

The decline was mainly attributed to the following non-recurring events happened in 2010.

	A\$
- Dividends received from CEJV	5,300,000
- Profit on disposal of CEJV	29,849,104

4 RECONCILIATION OF CASH FLOW FROM OPERATIONS WITH PROFIT / (LOSS) AFTER INCOME TAX

	2011	2010
	A\$	A\$
Reconciliation of profit for the year to net cash used in operating activities :		
Net profit	1,513,281	27,119,378
Adjustments for non-cash items :		
Depreciation	134,994	175,207
Loss /(Gain) on disposal of assets	265	(29,821,885)
Foreign exchange loss	611	72
Dividends received	-	(5,300,000)
Equity settled share based payments	83,637	-
(Increase)/decrease in assets :		
Trade and other receivables	(1,353,857)	1,598,002
Other Assets	(185,168)	(402,415)
Increase/(decrease) in liabilities :		
Trade and other payables	531,831	(165,177)
Other liabilities	(8,313,595)	7,992,602
Net cash (used in)/generated from operating activities	(7,588,001)	1,195,784

5 DETAILS OF INDIVIDUAL AND TOTAL DIVIDENDS AND DIVIDEND PAYMENTS

Date the final dividend is payable	N/A
Record date to determine entitlements to the dividend	N/A
Has the dividend been declared?	N/A

Other disclosures in relation to dividends

	2011 A\$	2010 A\$
Interim fully franked dividends declared and paid during the year:		
2011: 27.247 cents (2010: 16.706 cents)	18,789,000	11,520,000
Interim fully franked dividends declared but not paid during the year:	3,700,000	-
2011: 5.366 cents (2010: Nil cents)		

6 NET ASSET BACKING

	2011 Cents per share	2010 Cents per share
Net tangible assets per share	3.411	30.032

7 CONTINGENT LIABILITY

There are no known contingent liabilities.

8 ISSUED AND QUOTED SECURITIES AT END OF CURRENT PERIOD

Category of securities	Total number	Number quoted
Ordinary shares	89,604,868	89,604,868

9 EARNINGS PER SHARE (EPS)

	2011	2010
	A\$	A\$
Reconciliation of earnings to profit or loss		
Profit /(loss)	1,513,320	27,119,378
Earnings used to calculate basic EPS	1,513,320	27,119,378
Earnings used in the calculation of dilutive EPS	1,513,320	27,119,378
	No. of shares	No. of shares
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	71,876,937	68,957,135
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	71,876,937	68,957,135

10 DETAILS OF CONTROLLED ENTITIES

Resource Development Group Limited and its subsidiaries.
 Wholly owned.

Engenium Pty Ltd	100%
Engenium Projects Ltd	100%

11 ASSOCIATES AND JOINT VENTURES

The Company has no associates or joint ventures.

12 FOREIGN ENTITIES

The Company is an Australian entity and reports under Australian accounting standards.

13 AUDIT DISPUTES AND QUALIFICATIONS

There are no known audit disputes or qualifications.

14 STATEMENTS IN RELATION TO ACCOUNTS AND AUDIT

This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|--|--------------------------|--|
| <input type="checkbox"/> | The accounts have been audited (refer audit attached report). | <input type="checkbox"/> | The accounts have been subject to review (refer attached review report). |
| <input checked="" type="checkbox"/> | The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The accounts have <i>not</i> yet been audited or reviewed. |



Sign here:
(Company Secretary)

Date: 31 August 2011

Print name: Ben Donovan