

RTL CORPORATION LIMITED

ASX Appendix 4D
Half-Year Report
Period ended 31 December 2009

Name of entity

RTL CORPORATION LIMITED

ABN

28 106 353 253

Reporting period ended ("current period")

31 December 2009

Comparative period ended ("prior period")

31 December 2008

Statement

This report is based on information extracted from the Half-Year Financial Report (Report) of RTL Corporation Limited (Company) and the entities it controlled at the end of, or during the half-year ended 31 December 2009 (Consolidated Entity or Group). The Half- Report has been subject to a review by the Company's auditors and an unqualified review report is included with the attached Report.

Results for announcement to the market

	2009 \$'000	2008 \$'000	UP/DOWN	CHANGE \$'000	% CHANGE
Revenues from ordinary activities*	14	125	Down	111	89
Loss from ordinary activities after tax attributable to members.	(67)	(962)	Down	(895)	93
Net profit / (loss) for the period attributable to members	(67)	(962)	Down	(895)	93

During the current period the Group took steps to significantly reduce expenditure and preserve working capital.

No dividends have been paid during or are proposed in respect of the half-year ended 31 December 2009.

	2009	2008
Net Tangible Assets per security (cents per share)	0.33	0.33

RTL Corporation Limited

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Interim Financial Report for the half-year ended
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RTL CORPORATION LIMITED

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Corporate Directory

Directors

Mr Ashley Pattison—Non - Executive Chairman
Mr Robert Hemphill – Non - Executive Director
Mr Alex Neuling –Executive Director

Company Secretary

Mr Alex Neuling

Registered and Principal Administration Office

Level 20, Tower A
821 Pacific Highway
Chatswood NSW
2067 Australia

Solicitors

Steinepreis Paganin
Level 4, 16 Milligan Street
Perth WA 6000

Website

www.rtlcorp.com.au

Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Share Registry

Advanced Share Registry Services
150 Stirling Highway
Nedlands, WA 6009
Tel: (+618) 9389 8033

PO Box 1156
Nedlands
WA 6909

Bankers

National Australia Bank Limited
Ground Floor, 50 St Georges Terrace
Perth WA 6000

Securities Exchange Listing

Australian Securities Exchange
Home Exchange: Perth, Western Australia
Code: RTL

Directors' Report

The Directors of RTL Corporation Limited present their report on the Consolidated Entity consisting of RTL Corporation Limited ("the Company" or "RTL") and the entities it controlled during the half-year ended 31 December 2009 ("Consolidated Entity" or "Group").

Directors

The names of the Directors of RTL in office during the half-year and until the date of this report are:

Mr Ashley Pattison – Non-executive Chairman

Mr Robert Hemphill – Non-Executive Director

Mr Alex Neuling – Executive Director

Principal Activities

During the period the principal activities of the Consolidated Entity were the ownership and operation of mining services technology and the review and evaluation of new investment opportunities.

Review of Operations & Changes in State of Affairs

On 2 September 2009 Shareholders approved the sale of the 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.

The Company has reviewed a number of potential new projects during the period, and continues to do so. Projects reviewed have been in a variety of business and geographical sectors, some of which are complementary to RTL's existing operations and some of which would likely result in a significant diversification of those operations. As at the date of this Report, RTL has not entered into any binding agreements to acquire interests in any new projects.

On 2 December 2009 the Company announced that terms had been agreed to place up to 260 million new fully paid ordinary shares with 130 million free attaching options (exercise price: 1.5 cents, expiry date 31 December 2011) at an issue price of 0.5 cents per share to raise up to \$1,300,000 before costs. The first tranche of this placement was concluded on 22 December 2009, with the second tranche being conditional upon shareholder approval. As at balance date, funds of \$153,362 had been received by the Company as applications for the second tranche and were held on trust pending the outcome of an Extraordinary General Meeting of shareholder convened for 29 January 2010 to consider the placement. Shareholders subsequently voted overwhelmingly to ratify the first tranche and approve the second tranche of the placement which was completed on 11 February 2010. Funds raised under the placement are to be applied towards the review and evaluation of new projects and for general working capital purposes

Results

The Consolidated Entity recorded a loss after tax for the half-year ended 31 December 2009 of \$67,357 (2008: \$962,167).

Subsequent Events

There has not been any matter or circumstance, other than the share placement referred to above or matters disclosed elsewhere in this report, the financial statements or notes thereto, that has arisen since the end of the financial period, that has significantly affected, or may significantly affect, the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

Directors' Report

Future Developments

Other than as disclosed herein, the Directors believe that disclosure of further information regarding likely developments in the operations of the Consolidated Entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Consolidated Entity. Accordingly, such information has not been disclosed in this report.

Auditor's Independence Declaration

The Auditor's independence declaration is included on page 4 of the half-year financial report.

Signed in accordance with a resolution of the Directors made pursuant to s.306 (3) of the *Corporations Act 2001*.

On behalf of the Directors



ALEX NEULING

Director

Perth, Western Australia
26 February 2010



Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of RTL Corporation Limited for the half-year ended 31 December 2009, 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 RTL Corporation Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'Norman Neill'.

Perth, Western Australia
26 February 2009

N G NEILL
Partner, HLB Mann Judd



Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of
RTL CORPORATION LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report, which comprises the condensed statement of financial position as at 31 December 2009, the condensed statement of comprehensive income, condensed statement of changes in equity, condensed statement of cash flows and notes to the financial statements for the half-year ended on that date, and the directors' declaration, of RTL Corporation Limited and the entities it controlled during the half-year ended 31 December 2009 ("consolidated entity").

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 consolidated entity's financial position as at 31 December 2009 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 RTL Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year 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.

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 RTL Corporation Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 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*



HLB MANN JUDD
Chartered Accountants



Perth, Western Australia
26 February 2010

N G NEILL
Partner

Directors' Declaration

The Directors declare that:

- (a) The financial statements of the Consolidated Entity and notes thereto are in accordance with the Corporations Act 2001, and
 - i. give a true and fair view of the Consolidated Entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
 - ii. comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as when they become due and payable.

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

On behalf of the Directors



ALEX NEULING

Director

Perth, Western Australia
26 February 2010

RTL CORPORATION LIMITED

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Condensed Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2009

	2009 \$	2008 \$
CONTINUING OPERATIONS		
Revenue	13,864	125,362
Operating costs	(132,687)	-
Office costs	(7,274)	(1,760)
Corporate management costs	(52,425)	(37,468)
Corporate compliance costs	(75,075)	(61,798)
Finance costs	(1,008)	-
Other expenses from ordinary activities	(9,752)	(20,823)
Profit / (Loss) from ordinary activities before income tax	(264,357)	3,513
Income tax expense	-	(128,430)
Loss for the half-year from continuing operations	(264,357)	(124,917)
DISCONTINUED OPERATIONS		
Gain / (loss) for the half-year from discontinued operations	7 197,000	(837,250)
Loss for the half-year	(67,357)	(962,167)
Other comprehensive income	-	-
Total comprehensive loss for the half-year	(67,357)	(962,167)
Earnings / (loss) per share		
Basic loss per share (cents per share)	(0.02)	(0.25)
Basic loss per share from continuing operations (cents per share)	(0.07)	(0.03)

The above condensed statement of comprehensive income should be read in conjunction with the accompanying notes.

RTL CORPORATION LIMITED

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Condensed Consolidated Statement of Financial Position

As at 31 December 2009

		31 Dec 2009	30 Jun 2009
		\$	\$
Assets	Note		
Current assets			
Cash and cash equivalents		410,039	120,205
Trade and other receivables		55,668	124,584
Assets classified as held for sale	7	801,667	926,149
Total current assets		1,267,374	1,170,938
Non-current assets			
Property, plant and equipment	6	287,718	304,318
Total non-current assets		287,718	304,318
Total assets		1,555,092	1,475,256
Liabilities			
Current liabilities			
Trade and other payables		(55,623)	(93,186)
Shares to be issued		(153,362)	-
Related party payables		(133,984)	(74,800)
Total current liabilities		(342,969)	(167,986)
Total liabilities		(342,969)	(167,986)
Net assets		1,212,123	1,307,270
Equity			
Issued capital	3	19,058,698	19,086,488
Reserves		385,269	385,269
Accumulated losses		(18,231,844)	(18,164,487)
Total equity		1,212,123	1,307,270

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

RTL CORPORATION LIMITED

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Condensed Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2009

	Note	2009 \$	2008 \$
Share Capital			
At the beginning of period		19,086,488	19,061,563
Shares issued		169,338	-
Issue costs		-	(6,110)
Shares cancelled or redeemed		(197,128)	-
At the end of the period	3	<u>19,058,698</u>	<u>19,055,453</u>
Share-Based Payment Reserve			
At the beginning of period		<u>385,269</u>	<u>385,269</u>
At the end of the period		<u>385,269</u>	<u>385,269</u>
Accumulated losses			
At the beginning of period		(18,164,487)	(17,102,620)
Loss for the half-year		(67,357)	(965,657)
At the end of the period		<u>(18,231,844)</u>	<u>(18,068,277)</u>
Total Equity			
At the beginning of the period		1,307,270	2,344,212
At the end of the period		<u>1,212,123</u>	<u>1,372,445</u>

The above condensed statement of changes in equity should be read in conjunction with the accompanying notes.

RTL CORPORATION LIMITED

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Condensed Consolidated Statement of Cash Flows

For the half-year ended 31 December 2009

	2009 \$	2008 \$
Cash flows from operating activities		
Receipts from customers	-	48,048
Payments to suppliers and employees	(187,523)	(1,096,669)
Income tax receipts / (payments)	72,800	(128,430)
Net cash outflow from operating activities	(114,723)	(1,179,051)
Cash flows from investing activities		
Payments for property, plant & equipment	(15,706)	(359)
Proceeds from disposal of assets classified as held for sale	94,243	-
Interest received	13,966	17,735
Net cash inflow from investing activities	92,503	17,376
Cash flows from financing activities		
Proceeds from issue of shares	169,338	-
Proceeds from pending share applications	153,362	-
Less issue costs	-	(6,110)
Cost of unmarketable parcels sale	(10,646)	-
Net cash inflow / (outflow) from financing activities	312,054	(6,110)
Net increase / (decrease) in cash and cash equivalents	289,834	(1,167,785)
Cash and cash equivalents at the beginning of the period	120,205	1,388,671
Cash and cash equivalents at the end of the period	410,039	220,886

The above condensed statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Financial Statements

For the half-year ended 31 December 2009

1. Basis of preparation of half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2009 has been prepared in accordance with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with AASB 134 ensures compliance with IAS 34 *Interim Reports*.

This interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2009 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

(a) Going Concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

As at 31 December 2009, the Consolidated Entity had cash reserves of \$410,093, having recorded a net loss after tax of \$67,357 and net cash outflows from operating and investing activities of \$25,220 for the half-year ended 30 June 2009.

The financial report has been prepared on a going concern basis which the Directors consider to be appropriate based on various factors, including the completion in February 2010 of the second tranche of an equity capital-raising which realised \$1,300,000 before associated costs.

(b) Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2009, the Group 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 2009.

It has been determined by the Group 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 Group accounting policies.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 31 December 2009. 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 Group accounting policies.

(c) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Specifically, in the half-year ended 31 December 2009, the carrying value of assets held for sale (\$801,667) reflects the Board's assessment of likely recoverable value less costs to sell based on various assumptions and expectations regarding future events. As such, the carrying value is necessarily subjective in nature and may be subject to revision based on actual circumstances and events.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Condensed Consolidated Financial Statements

For the half-year ended 31 December 2009

(d) Segment Reporting

The Consolidated Entity has adopted AASB 8 Operating Segments from 1 July 2009. AASB 8 replaces AASB 114 Segment Reporting. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has not resulted in a change in the number of reportable segments presented by the Consolidated as operating segments are reported in a manner that is consistent with internal reporting provided to the chief operating decision maker.

2. Dividends

No dividend has been paid or is proposed in respect of the half-year ended 31 December 2009 (2008: None).

3. Contributed Equity

Movements in share capital during the current and prior periods were as follows:

Share Capital

	<i>Number</i>	<i>\$</i>
<i>Ordinary Shares</i>		
As at 1 July 2008	377,592,903	19,061,047
Share issue costs	-	(6,075)
As at 31 December 2008	377,592,903	19,054,972
Shares issued (SPP)	10,333,325	31,000
Conversion of old Class "C"	61	516
As at 30 June 2009	387,926,289	19,086,488
Shares issued (tranche 1 of placement)	33,867,628	169,338
Shares cancelled / redeemed	(49,250,000)	(197,128)
As at 31 December 2009	372,543,917	19,058,698
<i>Preference Shares</i>		
As at 1 July 2008	11,300,000	516
Class "A" issue	50,000,000	-
Class "B" issue	75,000,000	-
Class "C" issue	75,000,000	-
As at 31 December 2008	211,300,000	516
Conversion of old Class "C"	(11,300,000)	(516)
As at 30 June 2009	200,000,000	-
Shares cancelled / expired	(200,000,000)	-
As at 31 December 2009	-	-

Notes to the Condensed Consolidated Financial Statements

For the half-year ended 31 December 2009

Options

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

Type	2009 No.	Exercise Price	Expiry Date
1	20,000,000	1.0c	31/3/2010
2	5,000,000	1.3c	10/10/2010
3	16,933,814	1.5c	31/12/2011
Total	41,933,814		

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

4. Events occurring after the balance sheet date

Subsequent to period end, shareholders approved the second tranche of the Company's previously announced \$1,300,000 capital-raising. Accordingly, during February 2010 the Company issued 226,398,662, new fully paid ordinary shares and 113,199,331 free attaching options.

5. Segment Information

The Group has adopted AASB 8 Operating Segments which requires operating segments to be identified on the basis of internal reports about components of the Consolidated Entity that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Directors of RTL Corporation Limited reviews internal reports prepared as consolidated financial statements and strategic decisions of the Consolidated Entity are determined upon analysis of these internal reports. During the period, the Consolidated Entity operated predominantly in one business and geographical segment being mining services in 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 consolidated financial statements.

6. 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 prior financial year. The lease security incorporates the second Mine Mixer (MM2). The lease term had 12 months remaining as at balance date and future minimum rentals payable are approximately \$135,000.

7. Discontinued Operations

The Consolidated Entity advised during the year ended 30 June 2009 the signing of a Heads of Agreement, having negotiated the sale of the Mine Mixers IP back to Every Day Mine Services Operations Pty Ltd ("EDMSO") on terms which effectively reversed the initial acquisition. During the current financial period, shareholders voted overwhelmingly to approve the transaction, which completed in September 2009.

In the period to 31 December 2008, an impairment of \$837,500 was recognised in relation to the IP, which was fully provided for at the date of disposal. As a result, upon shareholder approval a profit of \$197,000 was recognised in relation to the market value (at that time) of the 49,250,000 fully paid ordinary shares cancelled under the transaction.

No other material transactions relating to discontinued operations occurred during the current or prior period.