C@ LIMITED

ABN 99 110 439 686

Appendix 4E
Preliminary Final Report
For the year ended 30 June 2011

APPENDIX 4E – PRELIMINARY FINAL REPORT
for the year ended 30 June 2011

Please find set out below the ASX preliminary final report for C @ Limited and its subsidiaries C @ Logistics Pty Ltd and Draig Investments (Singapore) Pte. Ltd (together "Consolidated Entity") for the year ended 30 June 2011, in accordance with ASX Listing Rule 4.3A. The report provides analysis against the previous reporting period ended 30 June 2010.

RESULTS FOR ANNOUCEMENT TO THE MARKET

CONSOLIDATED ENTITY	$'000 Change	% Change
Revenue from ordinary activities	(1)	(36.8%)
Loss from ordinary activities after tax attributable to members	1,296	255.8%
Net loss for the period attributable to members	1,296	255.8%

DIVIDENDS	Amount per security	Frank amount per security
Final Dividend	nil	Nil
Interim Dividend	nil	Nil
Dividend Entitlement Record Date	n/a	n/a

	2011	2010
Net tangible asset backing per ordinary security (cents)	0.25	0.38

REVIEW

During the period the Consolidated Entity made a loss of $1,802,334 (2010: $506,601).

During the financial year the Consolidated Entity continued the sale of frames and lenses to retail optometry, generating $1,835 in sales revenue (2010: $2,903).

The Company has also incurred costs that relate to the review of other investment opportunities, and has expensed expenditure of $357,016 incurred on the 8 exploration coal licenses in Mongolia, which is currently held under an option agreement.

On 15 September 2010, the Company raised $1,582,947 before expenses through an entitlements issue to shareholders to provide funds to support future investment opportunities.

During the year the Company entered into an exclusive option agreement with an international developer to acquire 8 coal licences located in the South Gobi province and the adjoining Ovorhangay province in southern Mongolia. These licences cover a vast area of approximately 625km^2.

As part of due diligence the Company undertook an exploration program which resulted in the discovery of three coal intersections on the Ovorhangay licences, including the first hole (BTE-1) which produced a coal seam thickness of 60m from surface and the second hole (BTE-2) which achieved a 40m coal seam thickness commencing at 89m in depth. Due to the extensive area of land under licence and the limited time frame imposed by the due diligence, no infill drilling was able to be undertaken between these major intersections.

As announced on 15 July 2011, the Company exercised its rights under the Option Agreement, which sets out the steps for negotiation of the definitive sale and purchase agreement. The Company is currently negotiating the sale and purchase agreement. Shareholder approval is required to complete the acquisition of the licences. Initial raw coal quality tests at both Mongolian and Australian laboratories have confirmed high quality coking properties, likely to be enhanced by washing.

As previously announced, the Company continues to assess investment opportunities to broaden business activities and create shareholder value.

AUDIT STATUS

This report is based on audited accounts which accompany this announcement.

PRELIMINARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the year ended 30 June 2011

	Notes	2011 $	2010 $
Continuing Operations			
Sales revenue	1	**1,835**	2,903
Cost of sales		**(1,072)**	(1,440)
Gross profit		**763**	1,463
Other expenses	2	**(987,436)**	(194,568)
Personnel expenses	3	**(897,446)**	(351,804)
Results from operating activities		**(1,884,119)**	(544,909)
Finance income	4	**81,785**	38,308
Finance expense	4	**-**	-
Net financing income		**81,785**	38,308
Loss before income tax		**(1,802,334)**	(506,601)
Income tax expense		**-**	-
Loss for the year: attributable to the owners of the Company		**(1,802,334)**	(506,601)
Other comprehensive income		**-**	-
Total comprehensive loss for the period: attributable to the owners of the Company		**(1,802,334)**	(506,601)
Basic loss per share (cents per share)	11	(0.43)	(0.21)

Diluted loss per share is not shown as the Company does not have any potentially dilutive securities on issue.

The income statements are to be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

	Note	2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	5	**1,125,309**	991,296
Trade and other receivables	6	**31,046**	10,668
TOTAL CURRENT ASSETS		**1,156,355**	1,001,964
NON CURRENT ASSETS			
Inventory	7	**-**	-
Property, plant & equipment	9	**2,631**	2,292
TOTAL NON CURRENT ASSETS		**2,631**	2,292
TOTAL ASSETS		**1,158,986**	1,004,256
CURRENT LIABILITIES			
Trade and other payables	8	**48,646**	10,010
TOTAL CURRENT LIABILITIES		**48,646**	10,010
TOTAL LIABILITIES		**48,646**	10,010
NET ASSETS		**1,110,340**	994,246
EQUITY			
Issued capital	10	**7,904,310**	6,317,539
Reserves		**386,153**	54,496
Accumulated losses		**(7,180,123)**	(5,377,789)
TOTAL EQUITY		**1,110,340**	994,246

The balance sheets are to be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2011

	Note	2011 $	2010 $
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from customers		**1,863**	9,568
Cash paid to suppliers and employees		**(1,514,538)**	(550,981)
Interest received		**80,300**	37,479
Interest expense		**-**	-
Net cash used in operating activities		**(1,432,375)**	(503,934)
CASH FLOW FROM INVESTING ACTIVITIES			
Prepayment of funds for security deposit		**(17,312)**	-
Payments for property, plant and equipment		**(3,071)**	(2,500)
Net cash used in investing activities		**(20,383)**	(2,500)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and exercise of options		**1,693,757**	597,000
Cost of issue of shares		**(106,986)**	(46,463)
Net cash from financing activities		**1,586,771**	550,537
Net increase in cash and cash equivalents		**134,013**	44,103
Cash and cash equivalents at beginning of 1 July		**991,296**	947,193
Cash and cash equivalents at end of 30 June	5	**1,125,309**	991,296

The statements of cash flows are to be read in conjunction with the accompanying notes.

PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2011

	Note	Issued Capital $	Reserves $	Accumulated Losses $	Total $
BALANCE AS AT 30 JUNE 2009		**5,767,002**	**54,496**	**(4,871,188)**	**950,310**
Total comprehensive loss for the Period					
Loss for the period		-	-	(506,601)	(506,601)
Total other comprehensive income		-	-	-	-
Contribution by owners					
Issue of share capital	10	597,000	-	-	597,000
Cost of issued share capital		(46,463)	-		(46,463)
BALANCE AS AT 30 JUNE 2010		**6,317,539**	**54,496**	**(5,377,789)**	**994,246**
Total comprehensive loss for the Period					
Loss for the period		-	-	(1,802,334)	**(1,802,334)**
Total other comprehensive income		-	-	-	-
Contribution by owners					
Issue of share capital	10	1,693,757	-	-	**1,693,757**
Cost of issued share capital		(106,986)	-	-	**(106,986)**
Share Based Payments		**-**	331,657	**-**	**331,657**
BALANCE AS AT 30 JUNE 2011		**7,904,310**	**386,153**	**(7,180,123)**	**1,110,340**

The statements of changes in equity are to be read in conjunction with the accompanying notes.

	2011 $	2010 $
1. REVENUE		
Revenue from optical sales	1,835	2,903
	1,835	2,903
2. OTHER EXPENSES		
Depreciation and amortisation	(2,732)	(208)
Impairment of inventories	1,072	1,440
Impairment of receivables	-	5,785
Equipment rental	(3,243)	(3,281)
Professional and consultancy fees	(154,323)	(42,048)
Property lease expense	(55,712)	1,564
Legal expenses	(108,255)	(45,298)
Mongolian Exploration Expenditure	(357,016)	-
Other expenses	(307,227)	(112,522)
	(987,436)	(194,568)
3. PERSONNEL EXPENSES		
Wages and salaries	(225,000)	-
Other personnel expenses	(320,539)	(351,804)
Superannuation costs	(20,250)	-
Share Based Payments	(331,657)	-
	(897,446)	(351,804)
4. FINANCE INCOME AND EXPENSE		
Interest income	81,785	38,308
Interest expense	-	-
	81,785	38,308
5. CASH AND CASH EQUIVALENTS		
Cash at Bank	1,125,309	991,296
	1,125,309	991,296

	2011 $	2010 $
6. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	-	27
Other receivables	5,144	3,535
Accrued Interest	7,853	6,369
Security bonds	18.,049	737
	31,046	10,668
7. INVENTORIES		
Finished goods	216,702	217,773
Less: provision for impairment	(216,702)	(217,773)
	-	-
8. TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors	48,647	10,010
	48,647	10,010
9. PROPERTY, PLANT & EQUIPMENT		
Balance 1 July	2,292	-
Additions	3,071	2500
Depreciation for the year	(2,732)	(208)
Carrying value at 30 June	2,631	2,292
At 30 June		
Cost	5,571	2,500
Accumulated depreciation	(2,940)	(208)
Net carrying amount	2,631	2,292
10. ISSUED CAPITAL		
Ordinary Shares		
471,392,945 (2010: 262,443,600) fully paid ordinary shares	7,904,310	6,317,539

Options

At 30 June 2011, the unissued ordinary shares of C @ Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Options on issue at 1 July 2010	Options issued during period	Number Exercised	Balance
15/09/2010	15/09/2013	$0.01	-	45,900,000	-	45,900,000
03/06/2009	30/04/2012	$0.01	170,884,115	-	(11,080,940)	159,803,175

11. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share at 30 June 2011 was based on the loss attributable to ordinary shareholders at $1,802,334 (2010: $506,601) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2011 of 421,460,517 (2010: 239,272,367).

Diluted loss per share

Diluted earnings per share must be calculated where potential ordinary shares on issue are dilutive. The Consolidated Entity does not have any potentially dilutive ordinary securities.

12. SUBSIDIARIES

Name of Entity	Country of Incorporation	Date of Incorporation	Ownership Interest % 2011	Ownership Interest % 2010
PARENT ENTITY				
C@ Limited	Australia	11 October 2004		
SUBSIDIARY				
C@ Logistics Pty Ltd	Australia	11 October 2004 *	100	100
Draig Investments (Singapore) Pte. Ltd	Singapore	19 May 2011 *	100	-

*This entity was incorporated as subsidiary of C @ Limited.

13. SEGMENT INFORMATION

The Consolidated Entity operates in the provision of optometry related products in Australia and it is also currently focused on seeking out new investment opportunities, and the provision of optometry related products is incidental to the review of investing opportunities.

At 30 June 2011 the Company is focused on two segments being optical and exploration (2010: optical segment only). As exploration is at an early stage, all costs incurred for exploration have been expensed ($357,016). The operations from the optometry business segment remain incidental with revenues of $1,855 and a loss of $10,677. There are no significant assets or liabilities for these segments.

14. DIVIDENDS

No dividends were declared or paid for the previous year and the Directors recommend that no dividends be paid for the current year.

C@ LIMITED

ACN 110 439 686

Annual Report 2011

CORPORATE DIRECTORY

DIRECTORS

Mr Andrew Harrison (Non-Executive Director)

Ms Jade Styants (Non-Executive Director)

Mr Terence Mark Earley (Managing Director)

COMPANY SECRETARY

Ms Jade Styants

PRINCIPAL & REGISTERED OFFICE

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West Perth WA 6872

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AUSTRALIAN BUSINESS NUMBER

99 110 439 686

COMPANY ADVISORS

AUDITOR

KPMG

235 St George's Terrace

Perth WA 6000

SOLICITORS

Steinepreis Paganin

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16 Milligan Street

Perth WA 6000

SHARE REGISTRY

Security Transfer Registrars Pty Ltd

770 Canning Highway

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PO Box 535

Applecross WA 6953

Phone: (08) 9315 2333

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ASX LISTING

ASX Codes: CEO, CEOO

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LETTER TO SHAREHOLDERS

Dear Shareholder,

We are pleased with the significant progress C @ Limited has made during the year on its strategy of investing in high quality coal assets. The Company has focused its efforts on Mongolia and Indonesia, setting up local partnerships in both countries.

Last month the Company exercised its rights to acquire 8 coal licences located in the South Gobi and Ovorhangay provinces, Mongolia. These licences jointly cover an area of approximately 625km^2.

As part of the due diligence over these licences, the Company undertook an exploration program to follow on from work done by previous licence owners. The program was constrained to a ten week period. In that short time, limited work was undertaken on the South Gobi licences with the major focus being on the Ovorhangay licences.

Exploration work discovered three coal intersections on the Ovorhangay licences, including a significant coal seam 60m thick from surface and a second significant hole intersecting a 40m coal seam at 89m depth. Initial raw coal quality tests at both Mongolian and Australian laboratories have confirmed high quality coking properties, likely to be enhanced by washing.

Negotiations with the licence owner to finalise a Sales and Purchase Agreement are progressing, and it is expected that these will be completed in the next few weeks. Upon entering into this agreement, the Company will seek shareholder approval to complete the acquisition of the Mongolian coal licences and meet the requirements of Chapters 1 and 2 of the Listing Rules.

Once the Company has acquired the Mongolian licences, it intends to immediately commence a substantial exploration program to bring the licences up to a JORC resource. Predominate focus will be given to the Ovorhangay licences. Exploration works will start with an extensive geophysics program which will provide critical information on the structure and will support drilling targets.

It is important to note that C @ Limited continues to work closely with its local partner in Indonesia, and is currently reviewing a number of coking and high energy thermal coal project opportunities. Further information will be provided on these opportunities once negotiations have sufficiently advanced.

I would like to take the opportunity to thank my co-directors, consultants and our local partners for their significant effort this year. I would also like to thank our shareholders for their continued support. We are optimistic about our future and look forward to a solid year of growth with the development of some exciting opportunities for the Company.

Yours sincerely

Mark Earley
Managing Director

26 August 2011

The Board of Directors is responsible for the overall corporate governance of C@Limited and the Consolidated Entity, and is committed to the Corporate Governance Principles and recommendations of the ASX Corporate Governance Council, applied in a manner that meets ASX standards and best addresses directors' accountability to Shareholders.

Whilst the Company will endeavour to comply with all of the guidelines under the ASX Corporate Governance Principles, the Board considers that the Company is not currently of a size, nor are its affairs of such complexity, to justify the additional expense of compliance with all recommendations. The Board will consider on an ongoing basis its corporate governance procedures and whether they are sufficient given the Company's nature of operations and size.

The statements below outlines the main corporate governance practices in place throughout the financial year, which complies with the ASX Corporate Governance Council Principles, unless otherwise stated.

BOARD OF DIRECTORS

The Board comprises two Non-Executive Directors and one Executive Director.

The membership of the Board, its activities and composition is subject to periodic review. The board considers the mix of skills and the diversity of board members when assessing the composition of the board. The board assesses existing and potential directors' skills to ensure they have appropriate industry expertise in the Consolidated Entity's operating segments. The criteria for determining the identification and appointment of a suitable candidate for the Board shall include the quality of the individual, experience and achievement, credibility within the Company's scope or activities, intellectual ability to contribute to the Board's duties and ability to undertake Board duties and responsibilities.

The skills, experience and expertise relevant to the position of each Director who is in office at the date of the annual report and their term of office are detailed on pages 9 - 10 of the Directors Report.

The primary role of the Board is to oversee the business activities and management for the benefit of the shareholders. The Board is responsible for, and has the authority to determine all matters relating to, the strategic direction, policies, practices, establishing goals for management and the operation of the Company. The monitoring and ultimate control of the business of the Company is vested in the Board.

The goals of the corporate governance process are to drive shareholder value, ensure a prudential and ethical base to the Company's conduct and activities and ensure compliance with legal and regulatory obligations.

Role of the Board

The management and control of the business is vested in the Board. The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of shareholders.

The Board strives to create shareholder value and ensure that shareholders' funds are safeguarded.

The key responsibilities of the Board include:

- setting objectives, goals and strategic direction with management with a view to maximising shareholder value;
- overseeing the financial position and monitoring the business and affairs of the Company;
- establishing corporate governance, ethical, environmental and health and safety standards;
- ensuring significant business risks are identified and appropriately managed; and
- ensuring the composition of the Board is appropriate, selecting directors for appointment to the Board and reviewing the performance of the Board and the contributions of individual directors.

Directors' Independence

The Board has adopted specific principles in relation to directors' independence. These state that to be deemed independent, a director must not:

- hold more than 10% of the shares of the Company nor through any entity or individual directly or indirectly associated with the Director;
- not be a material supplier or customer of the company or any other company of the Consolidated Entity, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
- must have no material contractual relationship with the Company or the Consolidated Entity; and
- be free from any interest and business or other relationship with could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

The Board considers that each of Mr Andrew Harrison, Ms Jade Styants and Mr Terence Mark Earley meet the above criteria and would therefore exercise independent judgement. Accordingly Mr Andrew Harrison, Ms Jade Styants and Mr Terence Mark Earley are each considered to be independent.

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Committees of the Board

The Board has not formally constituted an audit committee. The responsibilities normally performed by an audit committee which include the monitoring of the integrity of the financial statements of the Company, and the review and monitoring of the Company's internal financial control system, is undertaken by the full Board.

The Board has not formally constituted a nomination committee or remuneration committee. The whole Board conducts the functions of a nomination committee and remuneration committee.

Independent Professional Advice

Each Director has the right to access all relevant Company information, and may seek independent professional advice at the Company's expense, in connection with their duties and responsibilities.

The Director must obtain the prior written approval of a non-executive director (as designated by the Board), not be unreasonably withheld, before consulting with an advisor suitably qualified in the relevant field. A copy of the advice received by the Director is made available to all other members of the Board.

Director and executive education

The Consolidated Entity has a formal process to educate new directors about the nature of the business, current issues, the corporate strategy, the culture and values of the Consolidated Entity, and the expectations of the Consolidated Entity concerning performance of directors. In addition Directors are also educated regarding meeting arrangements and director interaction with each other, senior executives and other stakeholders. Directors also have the opportunity to visit the Consolidated Entities projects and meet with management to gain a better understanding of business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

Commitment

The Board held seven scheduled meetings and no unscheduled meetings during the reporting year. The number of meetings attended by each Director is disclosed on page 11 in the Directors' Report.

Performance Assessment

During the reporting year an evaluation of the Board was carried out on an informal basis. As the activities of the Company develop, it will implement more formal evaluation procedures, including quantitative measures of performance.

Risk Assessment and Management

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems, but recognises that no cost effective internal control system will preclude all errors and irregularities. The Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Consolidated Entity's business objectives.

To assist in discharging this responsibility the Board has instigated an internal control framework that includes the following:

- Financial reporting: a comprehensive set of management accounts is provided to the Board at each Board meeting. Periodic reports are provided to the Board. Quarterly, Half Yearly and Annual Reports are prepared in accordance with the Corporations Act and ASX Listing Rules.
- A Director and the Company Secretary are required to confirm in writing that the Consolidated Entity's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results are in accordance with relevant accounting standards.
- The Company has written policies covering health, safety and the environment.

Code of Conduct

The Company is committed to promoting a high code of conduct. All Directors and employees are expected to act with the utmost integrity and objectivity striving at all times to enhance the reputation and performance of the Company, in the following areas:

- professional conduct;
- dealings with suppliers, advisers and regulators;
- dealings with the community; and
- dealings with other employees.

The Board has adopted a policy in relation to the purchase and sale of company securities by all Directors and employees. Under the policy, Directors are prohibited from short term trading in the Company's securities whilst in possession of price sensitive information. The Board must be notified of any proposed transaction and must give clearance for the transaction to proceed.

Securities Trading Policy

The Board has formally adopted a Trading Policy Charter which restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the security's prices.

Continuous Disclosure and Shareholder Communication

The Board is committed to continuous disclosure of any information concerning the Company that a reasonable person would expect to have a material effect on the price of the Company's securities including the arrangements the Company has in place to promote communication with shareholders and encourage effective participation at general meetings.

The Company Secretary has been nominated as the person responsible for communications with the Australian Securities Exchange (ASX). This role includes responsibility for ensuring compliance with the continuous disclosure requirements in the ASX Listing Rules and overseeing and co-ordinating information disclosure to the ASX, analysts, brokers, shareholders, the media and the public.

All information disclosed to the ASX is posted on the Company's website as soon as it is disclosed to the ASX. When analysts are briefed on aspects of the Company's operations, the material used in the presentation is released to the ASX and posted on the company's website. Procedures have also been established for reviewing whether any price sensitive information has been inadvertently disclosed and, if so, this information is also immediately released to the market.

The Board aims to ensure that shareholders are kept informed of all major developments affecting the Company. Information is communicated to shareholders through annual and quarterly reports, investor briefings, the Director's address delivered at the Annual General Meeting and notices of all meetings of shareholders and explanatory notes of proposed resolutions.

Shareholders are encouraged at annual general meetings to ask questions of Directors and senior management and also the Company's external auditors, who are required to be in attendance.

Diversity

The Board is committed to having an appropriate blend of diversity on the board and in the Consolidated Entity's senior executive positions. The board has established a policy regarding gender, age, ethnic and cultural diversity, details of the policy are available on the Company's website.

The key elements of the diversity policy are as follows:

- achieving gender diversity on the board and senior executive positions and throughout the Consolidated Entity.
- annual assessment of board gender diversity objectives and performance against objectives by the board.

The Consolidated Entity's performance against the diversity policy objectives are as follows:

	30 June 2011		30 June 2010	
Gender Representation	**Female (%)**	**Male (%)**	**Female (%)**	**Male (%)**
Board representation	33%	67%	0%	100%
Key management personnel representation	33%	67%	25%	75%
Consolidated Entity representation	25%	75%	20%	80%

The board considers the Consolidated Entity's key management personnel, to be the Consolidated Entity's senior executives and directors.

The Directors present their report together with the consolidated financial report of C@ Limited ("Company"), being the Company and its subsidiaries C @ Logistics Pty Ltd and Draig Investments (Singapore) Pte. Ltd ("Consolidated Entity"), for the financial year ended 30 June 2011 and the auditor's report thereon.

DIRECTORS

The names and details of the Directors of the Company in office during the financial year and until the date of this report are set out below. Directors have been in office for the entire period unless stated.

Andrew Harrison (Non-Executive Director)

Jade Styants (Non-Executive Director) – appointed 19 January 2011

Terence Mark Earley (Managing Director) – appointed 15 September 2010

Andrew Konowalous (Non-Executive Director) – resigned 19 January 2011

Gordon Thompson (Non-Executive Director) – resigned 29 September 2010

BOARD OF DIRECTORS

Mr Andrew Harrison
Non-Executive Director

Mr Harrison has significant experience in both senior management and board positions in publicly listed companies. He has held senior positions in a number of major organisations including Brambles Australia Limited, and has played leading roles in strategy, management, and business development across a number of sectors.

Mr Harrison is now a non-executive director of Capitol Health Limited (an ASX-listed healthcare company) after stepping down from the role of founding Managing Director. Mr Harrison was Managing Director of Neptune Marine Services Limited, and played an integral role in the initial public offering of that company in April 2004, and the subsequent commercialisation of its technology. He was a non-executive director of Neptune Marine Services Limited until March 2006.

Previously he has worked as a management consultant for such clients as Chubb Australasia and has been CEO of a Melbourne based marketing consultancy. Mr Harrison also holds a Bachelor of Commerce (Honours) in Marketing and Commercial Law from Curtin University in Western Australia.

Mr Harrison has been a Director of the Company since June 2005.

Ms Jade Styants
Non-Executive Director and Company Secretary

Ms Styants has over 12 years' experience in commerce, finance administration and corporate advisory having held executive and board positions in the resource and manufacturing sectors. During this period, Ms Styants has been involved in and responsible for the corporate and financing

administration of numerous companies on both the London Stock Exchange's AIM market and the Australian Stock Exchange. Ms Styants has been the Company Secretary since 2008.
Ms Styants began her career in finance working for companies such as Anaconda Nickel Limited and Gillette International SARL. This was followed by seven years in corporate advisory and financial administration including executive roles for Empyrean Energy Plc, Lefroy Resources Limited, Torrens Energy Limited and Peninsula Minerals Limited. Ms Styants holds a bachelor of commerce from Curtin University and is a Chartered Accountant.

Ms Styants has been a Director of the Company since January 2011 and Company Secretary since June 2008.

Mr Terence Mark Earley
Managing Director

Mr Earley has over 30 years experience in the coal industry in the key areas of operations, project development, mine management and senior advisory roles. Mr Earley has also been involved in greenfield mine developments in both Australia and Indonesia, has advised on several successful start-up projects and holds a masters degree in mining engineering.

Mr Earley's technical, project development and commercial skill set has seen him work and lead teams on significant coal projects throughout the world.

Most recently Mr Earley held the position of Executive Director of Barlow Jonker Pty Ltd, one of the world's leading coal advisory and research firms. In his role Mr Earley led the significant growth in the company's global advisory services by focusing on due diligence and asset screening which he aligned with the company's existing coal pricing and market review work undertaken for its global client base that included mining companies, non miners, banks and institutional investors.
Some of his advisory roles included leading the independent due diligence for Banpu Public Company Limited (Thailand) on the Daning Mine in Southern Shanxi, China and technical lead for the World Bank's audit of Vietnam National Coal Corporation.

Previously Mr Earley held senior positions with Oakbridge Pty Ltd including the role of Head of Business Development, General Manager of the Clarence Colliery (NSW) and Manager of the Baal Bone open cut mine (NSW).

Other prior operational roles include development of one of the early Indonesian coal projects, the Petangis Coal Mine with Henry Walker (Indonesia) and initial development of the Stratford Mine in Gloucester Basin (NSW).

Mr Earley has been a Director of the Company since September 2010.

DIRECTORSHIPS IN OTHER LISTED COMPANIES

Directorships of other listed entities held by Directors of the Company during the last 3 years immediately before the end of the financial year are as follows:

Director	Company	From	To
Andrew Harrison	Capitol Health Limited	2005	Present

REMUNERATION REPORT

The remuneration report is set out on pages 12 to 16 and forms part of the Directors' Report.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has entered into an agreement to indemnify all Directors and Officers against any liability arising from a claim brought by a third party against the Company. The Company has paid premiums to insure each Director and Officer against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving wilful breach of duty in relation to the Company. The current premium is $18,711 (2010: $15,246) to insure the Directors and Officers of the Company.

DIRECTORS MEETINGS

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company during the year are:

Director	Board Meetings	
	Held while Director	Attended
Andrew Harrison	7	7
Jade Styants (appointed 19/01/11)	2	2
Terence Mark Earley (appointed 15/09/10)	4	4
Andrew Konowalous (resigned 19/01/11)	5	5
Gordon Thompson (resigned 29/09/10)	3	1

DIRECTORS' INTERESTS

The relevant interest of each Director and his associated interests in the shares and options in the Company at the date of this report are as follows:

Director	Ordinary Shares	Options over Ordinary Shares
Andrew Harrison	4,482,098	4,047,605
Jade Styants	131,782	459,450
Terence Mark Earley	6,157,500	45,900,000

OPTIONS

Options granted to Directors and Officers of the Company
Other than options granted to Mr Terence Mark Earley as an incentive for signing on with the Company, there were no options granted during or since the end of the financial year to the Directors as part of their remuneration.

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for key management personnel of C @ Limited. These disclosures have been transferred from the consolidated financial report and have been audited.

Principles of remuneration

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Consolidated Entity, including Directors of the Company and Consolidated Entity and the Company Secretary.

The performance of the Company depends upon the quality of directors and executives, Remuneration levels for key management personnel are competitively set to attract and retain appropriately qualified and experienced directors and executives. The role of the Remuneration Committee has been assumed by the full Board, due to the size of the Company.

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the relevant segment/s performance
- the Consolidated Entity's performance including:
  - (a) the Consolidated Entity's earnings;
  - (b) the growth in share price and delivering constant returns on shareholder wealth; and
  - (c) the amount of incentives within each key management person's remuneration.

Remuneration packages include a fixed component with the opportunity, at the Boards discretion, to remunerate using long term incentives. In addition to their fixed remuneration, the Consolidated Entity also provides non-cash benefits to its key management personnel. The Consolidated Entity does not have any scheme relating to retirement benefits for its key management personnel.

Fixed Remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the full Board and the process consists of a review that takes into account the Consolidated Entity's performance, individual performance, relevant comparative remuneration in the market, together with external advice where appropriate.

The fixed remuneration component consists of a base remuneration level, together with employer superannuation contributions.

Long Term Incentives

The objective of the Long Term Incentives plan is to reward and retain key management personnel in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such Long Term Incentive are provided to key management personnel who are able to influence the generation of shareholder wealth and thus have a direct impact on the Company's performance against the relevant long term performance hurdles. The Company operates the C@ Employee Option Scheme for this purpose.

Non-Executive Directors Remuneration
The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain directors of high calibre, whilst incurring a cost which is acceptable to shareholders. Total remuneration for all non-executive directors is not to exceed $200,000 per annum, as approved by shareholders at the 2006 Annual General Meeting. Non-Executive Directors receive a fixed monthly fee for their services.

Key Management Personnel Remuneration
The Company aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the Company so as to:

- reward executives for Company and individual performance against targets set by reference to the appropriate benchmark;
- align the interest of executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

In determining the level and makeup of key management personnel remuneration, the full Board considers comparable executive roles. Remuneration may consist of fixed remuneration and long term incentives.

Employment Agreements
The details of the arrangements in place for key management at the date of this report are as follows:

Mr Andrew Harrison (*Non-Executive Director)*

Term:	Unlimited in term.
Fixed Remuneration:	Fees of $5,000 per month for Non-Executive Directors duties. During the year ended 30 June 2011, Mr Harrison received Non-Executive Fees totalling $60,000.
Additional Remuneration:	Additional consultancy work may be approved by the Board from time to time. During the year ended 30 June 2011, Mr Harrison received $60,000 in additional fees for consultancy work related to project generation, review and due diligence.
Non Cash Benefits:	None
Long Term Incentives:	None

Ms Jade Styants (Company Secretary and *Non-Executive Director)*

Term:	Unlimited in term.
Fixed Remuneration:	Fees of $6,000 per month for Company Secretary and Non-Executive Directors duties. During the year ended 30 June 2011, Ms Styants received fees totalling $49,258.
Additional Remuneration:	Additional consultancy work may be approved by the Board from time to time. During the year ended 30 June 2011, Ms Styants received $25,538 in additional fees for consultancy work related to project generation, review and due diligence.
Non Cash Benefits:	None
Long Term Incentives:	None

Mr Terence Mark Earley (Managing *Director)*

Term:	Ongoing until terminated in accordance with the Executive Service Agreement.
Termination:	The Company can terminate for cause with no additional payments. The Company may terminate without cause by paying 6 month's annual remuneration.
Fixed Remuneration:	Salary of $25,000 per month plus statutory superannuation. During the year ended 30 June 2011, Mr Earley received salary totalling $225,000 plus superannuation of $20,250.
Non Cash Benefits:	Upon the Company successfully completing an acquisition of a material project, subject to Board approval, a one-off cash bonus being 50% of annual remuneration.
Long Term Incentives:	As an incentive for signing on with the Company Mr Earley was issued with 45,900,000 options exercisable at $0.01 per option expiring 15 September 2013 as approved by Shareholders on 6 September 2010. These options were subject to various vesting conditions which were all met before 30 June 2011.

Share Based Remuneration

The Company operates an incentive scheme known as the C@ Employee Option Scheme ("Scheme") approved at the general meeting on 18 July 2005.

The maximum number of options that can be granted under the Scheme is determined by the Board at its discretion and in accordance with the Scheme and applicable law. There is no issue price for any options granted under the Scheme.

Each option is convertible to one ordinary share. The exercise price of the options is determined by the Board in its absolute discretion, provided the exercise price shall not be less than the weighted average market price of the Company shares on ASX for the 5 business days immediately preceding the date on which the Board resolves to offer the Options to the eligible participant(s).

All options expire on the earlier of their expiry date or 30 days after the termination of the individual's employment.

There are no voting or dividend rights attaching to the options. There are no voting rights attached to the unissued ordinary shares. Voting rights will be attached to the unissued ordinary shares when the options have been exercised.

No options have been issued under the Scheme, as at the date of this report.

Options Over Equity Instruments Granted as Compensation

Details of options over ordinary shares in the Company that were granted to each key management person during the reporting period and details on options that vested during the reporting period are as follows:

	Number of options granted during 2011	Grant date	Fair value per option at grant date	Exercise price per option	Expiry Date	Number of options vested during 2011
Executive Director						
Terence Mark Earley	45,900,000	15/09/10	$0.007	$0.010	15/09/13	45,900,000

All options expire on the earlier of their expiry date or within 30 days after the termination of the individual's employment, unless exercised. The options are exercisable three years from grant date.

Other than the options issued to Mr Terence Mark Earley as described above, no remuneration options have been granted during or since the end of the financial year.

During the year, no shares were issued on the exercise of options previously granted as remuneration (2010: nil).

Director and Key Management Personnel Remuneration

Details of the nature and amount of each major element of the remuneration of each Director and Key Management Personnel of the Company and the Consolidated Entity during the year are:

DIRECTORS		FIXED REMUNERATION Salary & Fees $	Non Cash Benefits $	POST EMPLOYMENT Superannuation benefits $	SHARE-BASED PAYMENTS Options $	Total $	Proportion of remuneration performance Related %	Value of options as proportion of remuneration %
Non-Executive Director								
Andrew Harrison	*2011*	120,000	-	-	-	120,000	-	-
Non-Executive Director	2010	98,000	-	-	-	98,000	-	-
Jade Styants (appoint director 19/01/11)	2011	74,796	-	-	-	74,796	-	-
Non-Executive Director and Company Secretary	2010	77,028	-	-	-	77,028	-	-
Andrew Konowalous (resigned 19/01/11)	*2011*	70,000	-	-	-	70,000	-	-
Non-Executive Director	2010	98,000	-	-	-	98,000	-	-
Gordon Thompson (resigned 29/09/10)	2011	10,000	-	-	-	10,000	-	-
Non-Executive Director	2010	30,000	-	-	-	30,000	-	-
Sub-total non-executive directors remuneration	**2011**	**274,796**	**-**	**-**	**-**	**274,796**	**-**	**-**
	2010	**303.028**	**-**	**-**	**-**	**303,028**	**-**	**-**
Executive Director								
Terence Mark Earley (appointed 15/09/10)	*2011*	225,000	-	20,250	331,657	576,907	57.5%	57.5%
Managing Director	*2010*	-	-	-	-	-	-	-
TOTAL COMPANY AND CONSOLIDATED ENTITY	***2011***	**499,796**	**-**	**20,250**	**331,657**	**851,703**	57.5%	57.5%
	2010	**303,028**	**-**	**-**	**-**	**303,028**	-	-

Note: No performance related remuneration has been paid out during the period.

REVIEW OF OPERATIONS

During the financial year the Consolidated Entity continued the sale of frames and lenses to retail optometry, generating $1,835 in sales revenue (2010: 2,903). Operating losses amounted to $1,802,334 (2010: $506,601).

The view of the Directors is that the Company is operating as a going concern, although revenues from the optical business are minimal during the year and the Company's operating activities remain modest. The Company has also incurred costs that relate to the review of other investment opportunities, and has expensed expenditure of $357,016 incurred on the 8 exploration coal licenses in Mongolia, which is currently held under an option agreement.

On 15 September 2010, the Company raised $1,582,947 before expenses through an entitlements issue to shareholders to provide funds to support future investment opportunities.

As previously announced, the Company continues to assess investment opportunities to broaden business activities and create shareholder value.

During the year the Company entered into an exclusive option agreement with an international developer to acquire 8 coal licences located in the South Gobi province and the adjoining Ovorhangay province in southern Mongolia. These licences cover a vast area of approximately 625km^2.

As part of due diligence the Company undertook an exploration program which resulted in the discovery of two significant coal intersections on the Ovorhangay licences. The first hole (BTE-1) produced a coal seam thickness of 60m from surface and was estimated to comprise one major coal seam. The second hole (BTE-2), located 280m northwest from BTE-1, achieved a 40m coal seam thickness commencing at 89m in depth, which was also estimated to comprise one major seam.

The Company announced on 15 July 2011 a further significant intersect on the fifth hole (BTE-5), which was drilled approximately 6km to the northwest of BTE-2 at the northern end of the licence, also intersected coal at 38m for 12m and then a shaley coal sequence, with occasional siltstone partings at 141m for 15m.

Due to the extensive area of land under licence and the limited time frame imposed by the due diligence, no infill drilling was able to be undertaken between these major intersections. It still remains unclear if the potential coal bearing sequence in BTE-1, BTE -2 and BTE-5 forms part of the same coal seams and geological structures, or are completely difference structures.

As also announced on 15 July 2011, the Company exercised its rights under the Option Agreement, which sets out the steps for negotiation of the definitive sale and purchase agreement. The Company is currently negotiating the sale and purchase agreement. Shareholder approval is required to complete the acquisition of the licences.

On 19 July 2011 the Company announced that a large number of coal samples taken from intersections in BTE-1 and BTE-2 were sent to SGS Laboratories in Ulaanbaatar, Mongolia to undertake quality analysis. Due to the large size of these seams and sample points, the Company is still working on the test results with the laboratory and will update the market as soon as this information comes to hand.

To better understand the coal's metallurgical potential, the Company also sent an individual random raw coal sample from BTE-2 to ALS Laboratories, Australia. The results from this individual coal sample showed that the coal contained coking properties.

The Company has started planning an exploration program on the Ovorhangay licences which it intends to commence immediately upon signing the sale and purchase agreement, which required shareholder approval and obtain the necessary funds. This program will include substantial drilling in addition to geophysics and seismic testing.

RESULTS FROM OPERATIONS

The consolidated loss after income tax for the year was $1,802,334 (2010: $506,601).

PRINCIPAL ACTIVITIES

The Consolidated Entity operates in the provision of optometry related products in Australia. The Consolidated Entity is currently focused on seeking out new investment opportunities, and the provision of optometry related products is incidental to the review of investing opportunities.

There were no other significant changes in the nature of the activities of the Consolidated Entity during the year, other than referred to above.

SIGNIFICANT CHANGES

Other than referred to above, there were no significant changes in the state of affairs of the Consolidated Entity during the year.

DIVIDENDS

No dividends were declared or paid for the previous year and the Directors recommend that no dividends be paid for the current year.

EVENTS SUBSEQUENT TO REPORTING DATE

Other than those items detailed above, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity, in future financial years.

LIKELY DEVELOPMENTS

The Company is likely to continue to sell frames and lenses to the optical industry for the short term.

On 15 July 2011 the Company exercised its rights under the Option Agreement to acquire 8 coal licences located in the South Gobi province and the adjoining Ovorhangay province in southern Mongolia. The Option Agreement sets out the steps for negotiation of the definitive sale and purchase agreement. The company is currently negotiating the sale and purchase agreement for execution subject to funding and shareholders' approval.

Under the terms of the Option Agreement consideration for the coal licences was set at $7.8 million plus VAT if applicable. The Company has been approached by a number of strategic investors recently with respect to investing in the Company. The Company is currently in discussion with a number of these groups and is confident that it will secure the relevant funding required to acquire the Mongolia coal licences.

Shareholder approval will be required to complete the acquisition of the Mongolian coal licences and meet the requirements of Chapters 1 and 2 of the Listing Rules. The Company will provide the market with an indicative timetable for these events as soon as it has finalised the steps for acquisition with the licence owner.

Further information on likely developments in the operations of the Consolidated Entity and the expected results of operations have not been included in this annual consolidated financial report because the Directors believe it would be likely to result in unreasonable prejudice to the Consolidated Entity.

DIRECTORS INTERESTS

The relevant interest of each director in the shares and options over such instruments issued by the companies within the Consolidated Entity and other related body corporate, as notified by the directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report is as follows:

Director	Ordinary Shares	Options over Ordinary Shares
Andrew Harrison	4,482,098	4,047,605
Jade Styants	131,782	459,450
Terence Mark Earley	6,157,500	45,900,000

SHARE OPTIONS

During or since the end of the financial year, the Company granted options for no consideration over unissued ordinary shares in the Company to the following directors:

Director	Number of options granted	Exercise Price	Expiry Date
Terence Mark Earley (1)	45,900,000	$0.01	15/09/2013

(1) Options issued did not form part of Mr Earley's remuneration. They were issued to him as an incentive for signing on as Managing Director with the Company.

NON-AUDIT SERVICES

During the year the Company's auditor KPMG has not performed any other services in addition to their statutory duties.

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration, which forms part of this report, is included on page 47 of the consolidated financial report.

Dated at Perth, Western Australia, this 26 August 2011.

Signed in accordance with a resolution of the Directors:

Andrew Harrison
Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2011

	Notes	2011 $	2010 $
Continuing Operations			
Sales revenue	2	**1,835**	2,903
Cost of sales		**(1,072)**	(1,440)
Gross profit		**763**	1,463
Other expenses	3	**(987,436)**	(194,568)
Personnel expenses	4	**(897,446)**	(351,804)
Results from operating activities		**(1,884,119)**	(544,909)
Finance income	5	**81,785**	38,308
Finance expense	5	**-**	-
Net financing income		**81,785**	38,308
Loss before income tax		**(1,802,334)**	(506,601)
Income tax expense	7	**-**	-
Loss for the year: attributable to the owners of the Company		**(1,802,334)**	(506,601)
Other comprehensive income		**-**	-
Total comprehensive loss for the period: attributable to the owners of the Company		**(1,802,334)**	(506,601)
Basic loss per share (cents per share)	19	(0.43)	(0.21)

Diluted loss per share is not shown as the Company does not have any potentially dilutive securities on issue.

The income statement is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

	Note	2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	8	**1,125,309**	991,296
Trade and other receivables	9	**31,046**	10,668
TOTAL CURRENT ASSETS		**1,156,355**	1,001,964
NON CURRENT ASSETS			
Inventory	10	**-**	-
Property, plant & equipment	12	**2,631**	2,292
TOTAL NON CURRENT ASSETS		**2,631**	2,292
TOTAL ASSETS		**1,158,986**	1,004,256
CURRENT LIABILITIES			
Trade and other payables	11	**48,646**	10,010
TOTAL CURRENT LIABILITIES		**48,646**	10,010
TOTAL LIABILITIES		**48,646**	10,010
NET ASSETS		**1,110,340**	994,246
EQUITY			
Issued capital	13	**7,904,310**	6,317,539
Reserves	14	**386,153**	54,496
Accumulated losses	15	**(7,180,123)**	(5,377,789)
TOTAL EQUITY		**1,110,340**	994,246

The balance sheet is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 June 2011

	Note	2011 $	2010 $
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from customers		**1,863**	9,568
Cash paid to suppliers and employees		**(1,514,538)**	(550,981)
Interest received		**80,300**	37,479
Interest expense		**-**	-
Net cash used in operating activities	22	**(1,432,375)**	(503,934)
CASH FLOW FROM INVESTING ACTIVITIES			
Prepayment of funds for security deposit		**(17,312)**	-
Payments for property, plant and equipment		**(3,071)**	(2,500)
Net cash used in investing activities		**(20,383)**	(2,500)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares and exercise of options		**1,693,757**	597,000
Cost of issue of shares		**(106,986)**	(46,463)
Net cash from financing activities		**1,586,771**	550,537
Net increase in cash and cash equivalents		**134,013**	44,103
Cash and cash equivalents at beginning of 1 July		**991,296**	947,193
Cash and cash equivalents at end of 30 June	8	**1,125,309**	991,296

The statement of cash flows is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2011

	Note	Issued Capital $	Reserves $	Accumulated Losses $	Total $
BALANCE AS AT 30 JUNE 2009		**5,767,002**	**54,496**	**(4,871,188)**	**950,310**
Total comprehensive loss for the Period					
Loss for the period	15	-	-	(506,601)	(506,601)
Total other comprehensive income		-	-	-	-
Contribution by owners					
Issue of share capital	13	597,000	-	-	597,000
Cost of issued share capital		(46,463)	-		(46,463)
BALANCE AS AT 30 JUNE 2010		**6,317,539**	**54,496**	**(5,377,789)**	**994,246**
Total comprehensive loss for the Period					
Loss for the period	15	-	-	(1,802,334)	**(1,802,334)**
Total other comprehensive income		-	-	-	-
Contribution by owners					
Issue of share capital	13	1,693,757	-	-	**1,693,757**
Cost of issued share capital		(106,986)	-	-	**(106,986)**
Share Based Payments		**-**	331,657	**-**	**331,657**
BALANCE AS AT 30 JUNE 2011		**7,904,310**	**386,153**	**(7,180,123)**	**1,110,340**

The statement of changes in equity is to be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting entity
C@ Limited (the "Company") is a public company domiciled in Australia and listed on the Australian Securities Exchange (ticker: CEO). The consolidated financial report of the Company for the financial year ended 30 June 2011 comprises the Company and its subsidiaries C @ Logistics Pty Ltd and Draig Investments (Singapore) Pte. Ltd (together referred to as the "Consolidated Entity").

Statement of compliance
The consolidated financial report is a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards ("AASBs") (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The consolidated financial report of the Consolidated Entity also complies with the International Financial Reporting Standards ("IFRSs") and interpretations adopted by the International Accounting Standards Board. The financial statements were approved by the Board of Directors on 26 August 2011.

Basis of preparation
The accounting policies set out below have been applied consistently to all years presented.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the Consolidated Entity.

Functional and presentational currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the Company and of the Consolidated Entity.

Continued operations

The Consolidated Entity operates in the provision of optometry related products in Australia and it is also currently focused on seeking out new investment opportunities. The provision of optometry related products is incidental to the review of investing opportunities.

Removal of parent entity financial statements
The Consolidated Entity has applied amendments to the Corporations Act (2001) that remove the requirement for the Consolidated Entity to prepare parent entity financial statements. Parent entity financial statements have been replaced by the specific parent entity disclosures in note 23.

Critical Accounting Estimates and Judgments
The directors evaluate estimates and judgments incorporated into the consolidated financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity. Actual results may differ from these estimates.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Consolidated Entity. Control exists when the Consolidated Entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date the control ceases. In the Company's financial statements, investments in subsidiaries are carried at cost.

Transactions eliminated on consolidation

Unrealised gains and losses and inter-entity balances resulting from transactions with or between subsidiaries are eliminated in full on consolidation.

Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables. Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below in the specific policy notes.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

Trade and other receivables

Trade and other receivables, which generally have 30 day terms, are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method, less an allowance for any estimated shortfall in receipt. An estimate of any shortfall in receipt is made when there is objective evidence a loss has been incurred. Bad Debts are written off when identified.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Costs include expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Consolidated Entity and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The expected useful lives in the current and comparative period are as follows:

Plant and equipment	5 years
Computer equipment	2 - 3 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle and includes expenditure incurred in acquiring the inventories and bringing it to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling expenses.

Impairment

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

Calculation of recoverable amount

The recoverable amount of the Consolidated Entity's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted. Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Non-financial assets

The carrying amounts of the Consolidated Entity's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for sale, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a *pro rata* basis.

Employee benefits

Wages and salaries, annual leave and sick leave

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and are capable of being measured reliably.

Provisions made in respect of wages and salaries, annual leave and sick leave expected to be settled within 12 months are measured at their nominal values based on expected rates of pay. The provision for long service leave is measured as the present value of the estimated future cash flows.

Share-based payments

Share-based remuneration benefits are provided to employees via the Company's incentive scheme, known as the C@ Employee Option Scheme ("Scheme"). No options issued have been issued under this Scheme, however options were granted during the year to Mr Terence Mark Early as an incentive for signing on with the Company.

The cost of these share-based payment transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using a Black-Scholes model.

In valuing share-based payment transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of C@Limited ('market conditions').

The cost of share-based payment transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees before fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired; and
- the number of awards that, in the opinion of the Directors of the Consolidated Entity, will ultimately vest.

This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Revenue

Revenues are recognised and measured at the fair value of the consideration received net of the amount of discounts and goods and services tax (GST) payable to the taxation authority.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involved with the goods, and the amount of revenue can be measured reliably.

Interest income

Interest income is recognised as it accrues.

Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences in the: initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividend is recognised.

Tax consolidation

The Company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2005 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is C @ Limited.

Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within group' approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under tax consolidation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax-consolidated group and are recognised by the Company as amounts payable (receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts (refer below). Any difference between these amounts is recognised by the Company as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Earnings per share

The Consolidated Entity presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributed to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares and share options granted to employees.

Trade and other payables

These amounts represent liabilities for goods or services provided by the Consolidated Entity prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually paid within 60 days of recognition.

Segment reporting

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker (CODM), which has been identified by the company as the Board of directors.

An operating segment is a component of the Consolidated Entity that engages in business activities from which is may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Consolidated Entities other components.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Exploration and Evaluation

Exploration and evaluation assets are only recognised if the rights to the area of interest are current and either: the expenditures are expected to be recouped through successful development and exploitation of the area of interest; or activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Costs incurred before the Consolidated Entity has obtained the legal rights to explore an area are recognised in the income statement.

New accounting standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are effective for annual period beginning after 1 July 2011, and have not been applied in preparing these consolidated financial statements. None of these is expected to have an effect on the consolidated financial statements of the Consolidated Entity.

	2011 $	2010 $
2. REVENUE		
Revenue from optical sales	1,835	2,903
	1,835	2,903
3. OTHER EXPENSES		
Depreciation and amortisation	(2,732)	(208)
Impairment of inventories	1,072	1,440
Impairment of receivables	-	5,785
Equipment rental	(3,243)	(3,281)
Professional and consultancy fees	(154,323)	(42,048)
Property lease expense	(55,712)	1,564
Legal expenses	(108,255)	(45,298)
Mongolian Exploration Expenditure	(357,016)	-
Other expenses	(307,227)	(112,522)
	(987,436)	(194,568)
4. PERSONNEL EXPENSES		
Wages and salaries	(225,000)	-
Other personnel expenses	(320,539)	(351,804)
Superannuation costs	(20,250)	-
Share Based Payments	(331,657)	
	(897,446)	(351,804)
5. FINANCE INCOME AND EXPENSE		
Interest income	81,785	38,308
Interest expense	-	-
	81,785	38,308
6. AUDITOR'S REMUNERATION		
Audit services		
- Audit and review of financial reports	31,080	30,068
	31,080	30,068

	2011 $	2010 $

7. INCOME TAX

A reconciliation between income tax expense and the loss before tax is as follows:

	2011 $	2010 $
Loss before income tax benefit	(1,802,334)	(506,601)
Income tax credit (based on 30%)	540,700	151,980
Tax effect of permanent differences:		
• Impairment of inventories	-	432
Deferred income tax not brought to account	(540,700)	(152,412)
Income tax (benefit)/expense	-	-

b) Tax Losses

	2011 $	2010 $
Unused tax losses for which no deferred tax asset has been recognised.	6,195,440	4,393,106

The benefit of these losses has not been brought to account as realisation is not probable. The availability of these losses is subject to satisfying Australian taxation legislation requirements and will only be available if:

i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;

ii) provisions relating to the deduction of losses from prior years imposed by tax legislation continues to be complied with; and

iii) no changes in tax legislation adversely affect the Company in realising the benefit.

8. CASH AND CASH EQUIVALENTS

	2011 $	2010 $
Cash at Bank	1,125,309	991,296
	1,125,309	991,296

9. TRADE AND OTHER RECEIVABLES

	2011 $	2010 $
Current		
Trade receivables	-	27
Other receivables	5,144	3,535
Accrued Interest	7,853	6,369
Security bonds	18.,049	737
	31,046	10,668

10. INVENTORIES

	2011 $	2010 $
Finished goods	216,702	217,773
Less: provision for impairment	(216,702)	(217,773)
	-	-

	2011 $	2010 $
11. TRADE AND OTHER PAYABLES (CURRENT)		
Trade creditors	48,647	10,010
	48,647	10,010
12. PROPERTY, PLANT & EQUIPMENT		
Balance 1 July	2,292	-
Additions	3,071	2500
Depreciation for the year	(2,732)	(208)
Carrying value at 30 June	2,631	2,292
At 30 June		
Cost	5,571	2,500
Accumulated depreciation	(2,940)	(208)
Net carrying amount	2,631	2,292

13. ISSUED CAPITAL

Ordinary Shares

	2011 $	2010 $
471,392,945 (2010: 262,443,600) fully paid ordinary shares	7,904,310	6,317,539

The following movements in issued capital occurred during the year:

	2011 No. Shares	2010 No. Shares	2011 $	2010 $
Balance at beginning of reporting period	262,443,600	212,693,600	6,317,539	5,767,002
Issue of shares (18/12/09)	-	49,750,000	-	597,000
Less: cost of issued shares	-	-	-	(46,463)
Entitlements Issue (15/09/10)	197,868,405	-	1,582,947	-
Less: cost of issued shares	-	-	(106,986)	-
Exercise of Options (various)	11,080,940	-	110,810	-
Balance at end of reporting period	471,392,945	262,443,600	7,904,310	6,317,539

The Company does not have authorised capital or par value in respect of its issued shares.

Options

At 30 June 2011, the unissued ordinary shares of C @ Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Options on issue at 1 July 2010	Options issued during period	Number Exercised	Balance
15/09/2010	15/09/2013	$0.01	-	45,900,000	-	45,900,000
03/06/2009	30/04/2012	$0.01	170,884,115	-	(11,080,940)	159,803,175

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

On 15 September 2010 and subsequent to receiving shareholder approval on 6 September 2010, the Company issued 45,900,000 unlisted options exercisable at $0.01 which expire on 15 September 2013. 13,770,000 options were subject to a market based condition that has been met (traded shares of the Company attaining a 30-day volume weighted average closing price of $0.012 or more per share), and 32,130,000 options have no vesting conditions. These options were issued to the Managing Director at a fair value of $331,657. The fair value of these options at the grant date has been determined using a Black-Sholes Model, utilising the following model assumptions:

- Number of options 45,900,000
- Exercise price $0.010
- Life of options 3 years
- Fair value per option $0.007
- Expiration date 15/09/2013
- Volatility 83%
- Underlying share spot price $0.012
- Grant date 15/09/2010
- Risk free rate 4.62%

14. RESERVES

	2011 $	2010 $
Balance at the beginning of the year	54,496	54,496
Share Based Payment (Employee)	331,657	-
Balance at the end of the year	386,153	54,496

This reserve is used to record the value of equity benefits provided as share based payments.

15. ACCUMULATED LOSSES

	2011 $	2010 $
Accumulated losses at the beginning of year	(5,377,789)	(4,871,188)
Loss for the year	(1,802,334)	(506,601)
Accumulated losses at the end of year	(7,180,123)	(5,377,789)

16. FINANCIAL INSTRUMENTS

The Consolidated Entity’s principal financial instruments comprise of cash and short-term deposits. The main purpose of these financial instruments is to finance the Consolidated Entity’s operations. The Consolidated Entity has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. It is, and has been throughout the period under review, the Consolidated Entity’s policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Consolidated Entity’s financial instruments are interest rate risk, liquidity risk and credit risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Fair values

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements represents their net fair values for both 30 June 2011 and 30 June 2010.

Credit risk

Credit risk is the risk of financial loss to the Consolidated Entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Consolidated Entity's receivables from customers and investments. For the Company it arises from receivables due from administrative activities and subsidiaries, and investments.

The credit risk on financial assets of the Consolidated Entity which has been recognised on the balance sheet is generally the carrying amount, net of any provision for doubtful debts.

The Consolidated Entity continuously monitors credit risks arising from its trade receivables which are principally with significant and reputable companies. The total credit risk exposure of the Consolidated Entity could be considered to include the difference between the carrying amount of the receivable and the realisable amount. At balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The carrying amount of the Consolidated Entity's financial assets represents the maximum credit exposure, as detailed below:

	Note	Carrying Amount 2011 $	2010 $
Financial Assets			
Cash	8	1,125,309	991,296
Trade and other receivables	9	31,046	10,668
		1,156,355	1,001,964

The Consolidated Entity's maximum exposure to credit risk for trade receivables at the reporting date by geographical region is detailed below.

Australia	-	27

Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Consolidated Entity's reputation.

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and finance leases.

The following are contractual maturities of the Consolidated Entities financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying Amount $	Contractual Cash Flows $	6 Months or less $	6 - 12 Months $	1 – 2 Years $	2-5 Years $
2011						
Trade and other payables	48,647	(48,647)	(48,647)	-	-	-
2010						
Trade and other payables	10,010	(10,010)	(10,010)	-	-	-

Currency risk

The Consolidated Entity is not exposed to foreign currency risk at the 30 June 2011.

Interest rate risk

The Consolidated Entity's exposure to market risk for changes in interest rates relates primarily to the Consolidated Entity's cash and short-term deposits. Cash includes funds held in term deposits and cheque accounts during the year, which earned variable interest at rates ranging between 0% to 6.25% (2010: 0% to 5.15%), depending on the bank account type and account balances.

The Consolidated Entity has no loans or borrowings.

At the reporting date the interest rate profile for the Consolidated Entity interest-bearing financial instruments was:

	Carrying Amount 2011	Carrying Amount 2010
Variable rate financial assets	1,125,309	991,296

A change of 1% in the variable interest rates at the reporting date would have increased/decreased profit and loss by the amounts shown below. The analysis assumes that all other variables remain constant. This analysis is performed on the same basis for 2010.

	2011 $	2010 $
1% increase	11,253	9,913
1% decrease	(11,253)	(9,913)

Fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

	30 June 2011		30 June 2010	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Cash and cash equivalents	1,125,309	1,125,309	991,296	991,296
Trade and other receivables	31,046	31,046	10,668	10,668
Trade and other payables	(48,647)	(48,647)	(10,010)	(10,010)
	1,107,708	1,107,708	991,954	991,954

Cash Management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Consolidated Entity defines as net operating income divided by total shareholders' equity.

17. CONTINGENT LIABILITIES

The board is not aware of any circumstances or information which leads them to believe that are any material contingent liabilities outstanding at 30 June 2011.

18. SUBSIDIARIES

Name of Entity	Country of Incorporation	Date of Incorporation	Ownership Interest % 2011	Ownership Interest % 2010
PARENT ENTITY				
C@ Limited	Australia	11 October 2004		
SUBSIDIARY				
C@ Logistics Pty Ltd	Australia	11 October 2004 *	100	100
Draig Investments (Singapore) Pte. Ltd	Singapore	19 May 2011 *	100	-

*This entity was incorporated as subsidiary of C @ Limited.

19. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share at 30 June 2011 was based on the loss attributable to ordinary shareholders at $1,802,334 (2010: $506,601) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2011 of 421,460,517 (2010: 239,272,367) calculated as follows:

Weighted average number of ordinary shares

Weighted average number of ordinary shares used as the denominator in the calculation of basic earnings per share	Number 2011	Number 2010
Issued ordinary shares at 1 July	262,443,600	212,693,600
Effect of shares issued on 18 December 2009	-	26,578,767
Effect of shares issued on 15 September 2010	156,668,409	-
Effect of exercise of options (various)	2,348,508	-
	421,460,517	239,272,367

Diluted loss per share

Diluted earnings per share must be calculated where potential ordinary shares on issue are dilutive. The Consolidated Entity does not have any potentially dilutive ordinary securities.

20. SEGMENT INFORMATION

The Consolidated Entity operates in the provision of optometry related products in Australia and it is also currently focused on seeking out new investment opportunities, and the provision of optometry related products is incidental to the review of investing opportunities.

At 30 June 2011 the Company is focused on two segments being optical and exploration (2010: optical segment only). As exploration is at an early stage, all costs incurred for exploration have been expensed ($357,016). The operations from the optometry business segment remain incidental with revenues of $1,855 and a loss of $10,677. There are no significant assets or liabilities for these segments.

The internal report to the Chief Operating Decision Maker (Board of Directors) is prepared on the same basis as the consolidated financial report.

21. RELATED PARTIES

Details of key management personnel

The following were key management personnel of the Consolidated Entity at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period:

Mr Andrew Harrison	Non-Executive Director
Ms Jade Styants	Non-Executive Director and Company Secretary
Mr Terence Mark Earley	Managing Director – appointed 15 September 2010
Mr Andrew Konowalous	Non-Executive Director – resigned 19 January 2011
Mr Gordon Thompson	Non-Executive Director – resigned 29 September 2010

The following table provides the details of all key management personnel and the nature and amount of the elements of their remuneration for the year.

	2011	2010
Short term employee benefits	499,796	303,028
Post-employment benefits	20,250	-
Equity remuneration benefits	331,657	-
	851,703	303,028

Individual Director's disclosures

Information regarding individual Director's remuneration and disclosures as permitted by Corporations Regulations 2M.3.03 and 2M.6.04 are provided in the Remuneration Report on pages 12 to 16.

Mr Terence Mark Earley also holds an indirect interest through a shareholding in Trinity Mongolia Pty Ltd, an Australian private company which owns 100% of Trinity Development LLC, registered in Mongolia (together "Trinity"). The Company entered into a Memorandum of Understanding with Trinity on 12 November 2010 to identify and develop opportunities in Mongolia. During the year the Consolidated Entity has paid to trinity reimbursement of expenses of $299,976. Subsequent to the year end the Consolidated Entity has continued making payment as reimbursement of expenses, as expenditure was incurred.

Upon identifying an appropriate opportunity, an unincorporated joint venture will be established to acquire the project assets. The Company will hold a maximum 90% interest in the joint venture, with Trinity having a 10% free carried interest until the project has achieved a 200Mt JORC compliant indicated or inferred resource. Upon reaching this milestone Trinity will be required to contribute to expenditure on the JV project proportional to their interest. Trinity will also have the election to participate in an additional 15% interest in the project, within 60 days from the establishment of the joint venture. This interest will be acquired upon Trinity reimbursing to the Company all costs paid by the Company, up to the time of Trinity's election, that are attributable to the project on a proportionate basis.

Apart from the details disclosed above or in the Remuneration Report, no Director has entered into a material contract with the Company or the Consolidated Entity since the end of the previous financial year.

Movements in shares

The movement during the reporting period in the number of ordinary shares in C @ Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

	Held at 1 July 2010	Purchases (1)	Received on exercise of options	Other Changes - (shares held on appointment)	Sales	Held at 30 June 2011 or upon resignation if earlier
Directors						
Mr A Harrison	4,482,098	-	-	-	-	4,482,098
Ms J Styants	-	-	-	131,782	-	131,782
(appointed 19/01/11)						
Mr TM Earley	-	6,157,500	-	-	-	6,157,500
(appointed 15/09/10)						
Mr A Konowalous	4,029,962	-	-	-	-	4,029,962
(resigned 19/01/11)						
Mr G Thompson	1,900,000	-	-	-	-	1,900,000
(resigned 29/09/10)						

(1) Mr Earley participated in the sub-underwriting of the entitlements issue allotted on 15 September 2010 which resulted in the purchase of 6,157,500 shares as per the terms of the entitlement issue. He received an underwriting fee on 1.25% of the value of the purchase.

	Held at 1 July 2009	Purchases (1)	Received on exercise of options	Other Changes (2)	Sales	Held at 30 June 2010
Directors						
Mr A Harrison	4,462,098	-	-	20,000	-	4,482,098
Mr A Konowalous	4,029,962	-	-	-	-	4,029,962
Mr G Thompson	400,000	1,500,000	-	-	-	1,900,000

(1) Mr Thompson purchased 1,500,000 shares on 18 December 2009 pursuant to the Share Purchase Plan.
(2) Off market transfer of 20,000 shares to Mr Harrison on 7 June 2010.

Options and rights over equity instruments

The movement during the reporting period in the number of options over ordinary shares in C@ Limited held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

Options	Held at 1 July 10	Granted as remuneration	Cancelled	Other Changes (options held on appointment)	Exercised	Held at 30 June 2011	Vested during the year	Vested and exercisable at 30 Jun 11 or upon resignation if earlier
Directors								
Mr A Harrison	4,047,605	-	-	-	-	-	-	4,047,605
Ms J Styants (appointed 19/01/11)	-	-	-	459,450	-	459,450	-	459,450
Mr TM Earley (appointed 15/09/10)	-	45,900,000	-	-	-	45,900,000	45,900,000	45,900,000
Mr A Konowalous (resigned 19/01/11)	4,047,605	-	-	-	-	-	-	4,047,605
Mr G Thompson (resigned 29/09/10)	-	-	-	-	-	-	-	-

Options	Held at 1 July 09	Granted as remuneration	Cancelled	Other Changes	Exercised	Held at 30 June 2010	Vested during the year	Vested and exercisable at 30 Jun 10
Directors								
Mr A Harrison	4,047,605	-	-	-	-	4,047,605	-	4,047,605
Mr A Konowalous	4,047,605	-	-	-	-	4,047,605	-	4,047,605
Mr G Thompson	-	-	-	-	-	-	-	-

	2011 $	2010 $
22. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES		
Cash flows from operating activities		
Loss for the year	(1,880,334)	(506,601)
Adjustments for:		
Depreciation	2,732	208
Impairment of receivables	-	(8,160)
Share Based Payments	331,657	-
Operating loss before changes in working capital and provisions	(1,467,945)	(514,553)
Change in trade and other receivables	(6,485)	9,719
Change in trade and other payables	42,055	900
Net cash used in operating activities	(1,432,375)	(503,934)

23. PARENT ENTITY DISCLOSURE

As at, and throughout, the financial year ended 30 June 2011 the parent entity of the Consolidated Entity was C @ Limited.

	2011 $	2010 $
Results of the parent entity		
Comprehensive loss for the period	(1,782,755)	(501,652)
Financial Position of parent entity at year end		
Current assets	1,163,420	999,479
Total assets	1,166,052	1,001,771
Current liabilities	62,272	33,665
Total liabilities	62,272	33,665
Total equity of the parent entity comprising of:		
Issued capital	7,904,310	6,317,539
Share option reserve	386,153	54,496
Retained earnings	(7,186,683)	(5,403,929)
Total equity	1,103,779	968,106

24. EVENTS SUBSEQUENT TO REPORTING DATE

During the year the Company entered into an exclusive option agreement with an international developer to acquire 8 coal licences located in the South Gobi province and the adjoining Ovorhangay province in southern Mongolia.

As also announced on 15 July 2011, the Company exercised its rights under the Option Agreement, which sets out the steps for negotiation of the definitive sale and purchase agreement. It is currently in the process of negotiating the sale and purchase agreement.

Under the terms of the Option Agreement consideration for the coal licences was set at US$7.8 million (of which US$100,000 was been paid at the time of entering into the Option Agreement) plus applicable Mongolian value added tax. Shareholder approval will be required if the company proceeds with the acquisition of the Mongolian coal licences. The Company intends to undertake an equity raising to meet the cost of the acquisition of the Mongolian licences, undertake further exploration work on the licences and meet working capital costs of the Company.

At the date of this report there have been no events subsequent to balance date which would have a material effect on the Consolidated Entity's financial situation at 30 June 2011, other than those detailed above.

DIRECTORS' DECLARATION

In the opinion of the directors of C @ Limited (Company):

(a) the consolidated financial statements and notes, and the Remuneration Report in the Directors Report set out on pages 12 to 16, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2011 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.

(b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in note 1; and

(c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2011.

Signed in accordance with a resolution of the Directors:

Jade Styants
Director and Company Secretary

26 August 2011

Independent auditor's report to the members of C@ Limited

Report on the financial report

We have audited the accompanying financial report of C@ Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2011, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a description of significant accounting policies and other explanatory notes 1 to 24 and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001.This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the 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. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial report of the Group, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a view which is consistent with our understanding of the Group's financial position, and of its performance and cash flows.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG

Independence

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

Auditor's opinion:

In our opinion:

(a) the financial report of C@ Limited is in accordance with the *Corporations Act 2001*, including:

I. giving a true and fair view of the Group's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

II. complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1.

Report on the remuneration report

We have audited the Remuneration Report included in page 12 to 16 of the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of C@ Limited for the year ended 30 June 2011, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

DMcComish

Denise McComish
Partner

Perth

26 August 2011

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of C @ Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial statement year ended 30 June 2011 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Denise McComish
Partner

Perth

26 August 2011

a) Distribution of Shareholders (as at 24 August 2011)

	Number of Ordinary Shareholders	Number of Shares
1 - 1,000	56	5,026
1,001 - 5,000	69	288,121
5,001 - 10,000	226	2,088,847
10,001 - 100,000	791	40,115,613
100,001 - and over	548	449,340,274
TOTAL	1,619	491,837,881

b) Top Twenty Shareholders (as at 24 August 2011)

Name	Number of Ordinary Shares held	%
KARLA BELL & ASSOCIATES PTY LTD <KBA SUPER PE A/C>	22,340,000	4.54
EKSTEIN & EKSTEIN INVESTMENTS PTY LTD	16,460,000	3.35
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 3	14,500,000	2.95
T T NICHOLLS PTY LTD <SUPERANNUATION ACCOUNT>	11,250,000	2.29
PENSON AUSTRALIA NOMINEES PTY LTD <ARGONAUT ACCOUNT>	9,100,000	1.85
TALEX INVESTMENTS PTY LTD	9,000,000	1.83
MR HOWARD HILTON & MRS KATHRINE ANN BRISCOE <HILTON SUPER FUND A/C>	8,300,000	1.69
HSBC CUSTODY NOMINEES(AUSTRALIA) LIMITED - GSCO ECA	7,900,000	1.61
JASPER HILL RESOURCES PTY LTD <SUPERANNUATION ACCOUNT>	7,000,000	1.42
MR KEITH WILLIAM SHEPPARD <SHEPPARD FAMILY A/C>	7,000,000	1.42
MR MICHAEL FRANK MANFORD <ATLO SUPER FUND A/C>	6,600,000	1.34
MR MURRAY JAMES MCGILL & MRS SUZANNE APPEL MCGILL <MCGILL SUPERANNUATION A/C>	6,000,000	1.22
SPRING STREET HOLDINGS PTY LTD	5,843,525	1.19
MR ROBERT VERDOUW <THE VERDOUW S/F A/C>	5,373,000	1.09
TWO TOPS PTY LTD	5,300,000	1.08
TAUPO HOLDINGS PTY LTD	4,870,000	0.99
MR MARK WILLIAM TOMLINSON & MS NAOMI MAJELLA KELLY <TOMLINSON SUPER FUND A/C>	4,618,125	0.94
RELENTLESS CORPORATION PTY LTD <SUN TZU A/C>	4,462,098	0.91
MAJESTIC TRAVEL PTY LTD	4,400,000	0.89
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	4,102,872	0.83
Total Top 20 Shareholders	**164,419,620**	**33.43**
Other Shareholders	**327,418,261**	**66.57**
Total ordinary shares on issue	**491,837,881**	**100.00**

c) Non marketable parcels (as at 24 August 2011)

The number of shareholders holding less than a marketable parcel of shares is 528, totalling 5,498,863 ordinary shares.

d) Voting rights

All ordinary shares carry one vote per share without restriction.

e) Franking Credits

The Company has nil franking credits.

f) Restricted Securities

The Company had no restricted securities at 24 August 2011.

g) Substantial Shareholders (as notified at 24 August 2011)

Name	Number of Ordinary Shares held	%
Ekstein & Ekstein Investments Pty Ltd and Karla Bell & Associated Pty Ltd	33,500,000	6.81
Total	33,500,000	6.81

h) On-Market Buy Back

There is no current on market buy back.

i) ASX Admission Statement

During the year, the Company has applied its cash in a way consistent with its business objectives.

j) Options on issue (as at 24 August 2011)

Options	Unlisted	Listed	Total	No Holder
Exercisable $0. 01, expires 30 April 2012	-	139,133,239	139,133,239	144
Exercisable $0. 01, expires 15 September 2013	45,900,000	-	45,900,000	1

k) Distribution of Optionholders exercisable 1 cents, expiring 30 April 2012 (as at 24 August 2011)

	Number of Optionholders	Number of Options
1 - 1,000	1	1,000
1,001 - 5,000	1	5,000
5,001 - 10,000	2	17,056
10,001 - 100,000	58	3,051,222
100,001 - and over	82	136,058,961
TOTAL	144	139,133,239

l) Top Twenty Optionholders exercisable 1 cents, expiring 30 April 2012 (as at 24 August 2011)

Name	Number of options held	%
CAMPBELL KITCHENER HUME & ASSOCIATES PTY LTD <C K H SUPERFUND A/C>	20,104,000	14.45
JASPER HILL RESOURCES PTY LTD <SUPERANNUATION ACCOUNT>	15,258,954	10.97
T T NICHOLLS PTY LTD <SUPERANNUATION ACCOUNT>	8,673,439	6.23
OLLD PTY LTD	7,889,834	5.67
MR MICHAEL FRANK MANFORD <ATLO SUPER FUND A/C>	6,000,000	4.31
TALEX INVESTMENTS PTY LTD	5,000,000	3.59
SPRING STREET HOLDINGS PTY LTD	4,786,000	3.44
TECCA PTY LTD <C&E RETIREMENT FUND>	4,500,000	3.23
ANNLEW INVESTMENTS PTY LTD <ANNLEW INVESTMENTS PL SF A/C>	4,395,000	3.16
RELENTLESS CORPORATION PTY LTD <SUN TZU A/C>	4,047,605	2.91
PERMA-SEAL AUSTRALIA PTY LTD<SUPER FUND A/C>	4,000,000	2.87
ROSS DIX HARVEY	3,771,951	2.71
MS SUSAN CLARKSON	3,108,025	2.23
BOWETZ PTY LTD	3,100,000	2.23
HAL MANAGEMENT PTY LTD <DARLINGTON A/C>	3,047,605	2.19
PENSON AUSTRALIA NOMINEES PTY LTD <ARGONAUT ACCOUNT>	2,418,000	1.74
MR ROBERT BRUCE WOODLAND & MRS ERIKA WOODLAND <R WOODLAND EXHIBIT S/F A/C>	2,300,000	1.65
MR GARY RUPERT MANAUSCHEK	1,800,000	1.29
CCK PTY LIMITED <CCK SUPER FUND A/C>	1,783,020	1.28
MR DENNIS JOHN CALLINGHAM	1,680,000	1.21
Total Top 20 Optionholders	**107,663,433**	**77.38**
Other Optionholders	**31,469,806**	**22.62**
Total options on issue	**139,133,239**	**100.00**