Pacific Enviromin Limited

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ABN 49 089 206 986

ASX Code: PEV

Appendix 4E

Preliminary final report

For the year ended 30 June 2010

Current reporting period:	Financial year ended 30 June 2010
Previous corresponding period:	Financial year ended 30 June 2009

Results for announcement to the market

Revenues from ordinary activities	Down	17.6 %	to	**130,854**
Loss from ordinary activities after tax attributable to members	Up	44.6 %	to	**(3,926,928)**
Net loss for the period attributable to members	Up	42.7 %	to	**(3,968,416)**

Note:
Revenues from ordinary activities and Profit from ordinary activities includes:

- Impairment write down of assets 2,478,029

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Current period:		
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period:		
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Record date for determining entitlements to the dividend	N/A	N/A

Brief explanation of any of the figures reported above

Refer to Chairman's Review of Operations in the attached documents

Net tangible asset backing	**Current year**	**Previous year**
Net tangible asset (liabilities) backing per ordinary security	0.5 cents	1.4 cents

Earnings per share	**Current year**	**Previous year**
Basic earnings (loss) per share	(1,72)	(1.86)
Diluted earnings (loss) per share	(1.72	(1.86)
Weighted average number of shares used in calculating basic earnings per share	402,537,026	372,845,904
Weighted average number of shares used in calculating diluted earnings per share	402,537,026	372,845,904
The amount used in the numerator in calculating basic earnings per share is the same as the Loss attributable to members of the parent reported in the Income Statement.		
The calculation of diluted earnings per share involves adjusting basic earnings per share to reflect the existence of dilutive securities. This implies adjustments to increase the denominator to reflect that more shares would be on issue if conversion occurred.		

Change in composition of entity

Refer to the Notes to the Financial Statements in the attached documents

Details of associates and joint venture entities

The reporting entity does not hold any equity in an associate or joint venture entity.

TABLE OF CONTENTS

CHAIRMAN'S REVIEW OF OPERATIONS

As indicated at Pacific Enviromin Limited's 2009 Annual General Meeting in November 2009, the Company decided after a strategic review of its growth prospects to focus more heavily on its mineral exploration opportunities by building on its portfolio of quality mining and exploration tenements. To this end, it acquired from its Executive Director, Mr Paul Byrne, all the issued shares of Area Coal Pty Ltd, the company holding the majority of the Company's current coal tenements, in return for reimbursement of the expenditures that it had incurred. Area Coal's tenure, together with other tenure subsequently secured by the Company, has enabled the Company to build a potentially valuable and strategic portfolio of coal exploration tenure.

As shareholders will be aware, the Company is actively pursuing coal tenements that are prospective for coking, PCI and thermal coal in the Bowen, Surat, Clarence-Moreton and Galilee basins. The Company has acquired in excess of 30 Exploration Permit for Coal tenements (EPC) that are clustered together forming projects in the key geological regions, the majority of which are major coal producing areas in Queensland with excellent infrastructure. Of these EPCs, most are in the Bowen basin with the balance in the other coal basins. Of the Company's EPCs, 10 have now been granted or have been offered, while the balance are still applications of which 10 are competing with third parties. Since acquiring its coal tenements and within its technological and financial resource capabilities, the Company has initiated further geological study and evaluation of these tenements. It has utilised well qualified external consulting geological services specialising in the coal sector so as to independently investigate, and assign priorities to, their prospectivity.

The Company's business model is to evaluate its tenements to determine the optimal approach to realise value from the same, whether alone or in joint venture with other parties. To this end, the Company sought expressions of interest with respect to its tenements in April 2010 and received initial indications of interest from in excess of 20 parties of which there are in excess of 5 parties that the Company is currently in on-going discussions. As a result of this process, 4 of the tenements now have a farm-in partner to share the financial risk of their further evaluation and development and more joint ventures can be reasonably expected in the near term. The Company believes that its approach to date has facilitated a timely and cost effective means for it to evaluate the potential value of its coal assets. The Company's major focus has been with respect to its tenements in the Bowen basin as these are more likely to contain the more highly sought after, and valuable, metallurgical coals.

Recent transactions in the coal sector have indicated the potential value of the Company's coal strategy. For example, reference can be made to the recent Linc Energy announcement to the ASX made on the 10th August 2010 where Linc Energy state that they have sold 100% of their EPC 1690 in the Galilee basin to Adani Mining Pty Ltd for the sale price of $500 million cash up-front and a $2 per tonne royalty over 20 years, giving a total transaction value estimated at $3 billion. Pacific Enviromin's EPC 1957, applied for in October 2009 as an exclusive application, abuts to the east of Linc Energy/Adani Mining's EPC1690. The Company's EPC1957 covers in excess of 390 square kilometres of prospective exploration tenure. This project has been farmed out in a joint venture.

More recently the Company notes that Macarthur Coal Limited paid $A334.35m to acquire a 90 percent interest in MDL162 pursuant to Macarthur Coal's release to the ASX dated 24th August 2010. MDL162 directly abuts the Company's 100 percent owned EPC 1827 which comprises 7 sub-blocks (23 square kilometres) which is located in the central Bowen Basin between Curragh mine and the Jellinbah mine. Shareholders will be aware that the Company has previously released on 12th April 2010 an exploration target assessment for EPC 1827 from the Company's consulting geologists, The Minserve Group Pty Ltd. Refer to the Conclusion in Section 5, page 11 of the Minserve report for further information.

The Company still retains a 100% interest in its bentonite resource and is working on a number of opportunities in the region to realise value from this investment.

CHAIRMAN'S REVIEW OF OPERATIONS

The Officers, Executives, Consultants and Employees Share Plan ("the Share Plan") that was approved by the Company at the Company's Annual General Meeting held on 20th November 2007 provides that a maximum in aggregate of 5 percent of the total issued ordinary shares in the Company can be made available to eligible participants as determined by the board. Currently, this means that approximately 22 million shares would be available under the Share Plan.

The board has determined that it is now a reasonable and appropriate time in all the circumstances for up to 20 million Shares to be issued to eligible participants under the Share Plan given the marked improvement in the Company's financial prospects. In addition, an issue of shares to eligible participants under the Share Plan is merited in recognition of ongoing and past efforts by the Company's board, management and consultants. No shares, or rights to shares, have previously been issued to any party under this Share Plan.

The Company looks forward to updating the market on progress with respect to EPC 1827, and the Company's other strategically located coal tenements primarily located in the premium coal Bowen Basin (and more regional projects located in the Clarence-Moreten, Surat and Galillee Basins), as further results become available.

J Bovard

John Bovard
Chairman
Brisbane

COMPLIANCE STATEMENT

1 Accounting standards and policies

This report has been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards which include Australian equivalents to International Financial Reporting Standards ('AIFRS).

This report, and the accounts upon which the report is based, use the same accounting policies.

The preliminary report and the accounts upon which the report is based (if separate) use the same accounting policies.

2 Audit

The accounts upon which the preliminary final report is based are in the process of being audited.

Consistent with the half year reporting date the preliminary financial report has been prepared on a going concern basis.

The audit report may be subject to modification regarding the future funding and preparation of the financial report on a going concern basis consistent with previous reporting periods.

3 Annual General Meeting

The day and location of the Annual General Meeting of shareholders of Pacific Enviromin Limited (PEV) ("the Company") is yet to be announced.

Sign here: ______________________________ Date: 31st August 2010

Print name: **Kevin Mischewski**
Company Secretary
Brisbane

INCOME STATEMENTS

For the year ending 30 June 2010

	Note	Consolidated Group		Pacific Enviromin Limited	
		30.06.2010	**30.06.2009**	**30.06.2010**	**30.06.2009**
		$	**$**	**$**	**$**
Revenue		112,127	27,807	5,000	269
Interest income		18,727	131,106	8,034	123,248
Changes in inventories of finished goods and work in progress		(17,707)	1,588	-	-
Raw materials and consumables used		(27631)	(257,520)	-	-
Gain on debt forgiveness		-	140,522	-	-
Gain on acquisition of subsidiary		-	40788	-	-
Employee benefits expense		(559,705)	(758,539)	(559,705)	(758,539)
Depreciation and amortisation expense		(226,709)	(186,795)	(16,805)	(9,680)
Finance costs		(76,395)	(54,569)	(2,576)	(1,374)
Impairment of property, plant and equipment		(2,478,029)	(5,063,118)	(3,224,820)	(5,150,466)
Research and development cost recovery		-	87,551	-	-
Administration expenses		(658,087)	(1,145,117)	(615,264)	(860,535)
Other expenses		(13,519)	(50,272)	(239)	-
Profit before income tax		(3,926,928)	(7086,568)	(4,406,375)	(6,657,077)
Income tax expense (benefit)		-	21,446	-	-
Profit/(Loss) from continuing operations		(3,926,928)	(7065,122)	(4,406,375)	(6,657,077)
Profit/(Loss) from discontinued operations		(41,488)	138,782	-	-
Profit/(Loss) for the period		(3,968,416)	(6,926,340)	(4,406,375)	(6,657,077)
Profit/(Loss) attributable to:					
Members of the parent entity		(3,968,416)	(7,013,640)		
Non-controlling interest		-	87,300		
		(3,968,416)	(6,926,340)		
Earnings per share					
From continuing and discontinued operations:					
Basic earnings per share (cents)		(1,72)	(1.86)		
Diluted earnings per share (cents)		(1.72	(1.86)		
From continuing operations:					
Basic earnings per share (cents)		(1.76)	(1.90)		
Diluted earnings per share (cents)		(1.76)	(1.90)		

The above income statements should be read in conjunction with the accompanying notes

STATEMENTS OF COMPREHENSIVE INCOME

For the year ending 30 June 2010

	Note	Consolidated Group		Pacific Enviromin Limited	
		30.06.2010	30.06.2009	30.06.2010	20.06.2009
		$	$	$	$
Profit/(Loss) for the period		(3,968,416)	(6,926,340)	(4,406,375)	(6,657,077)
Other comprehensive income					
Net gain on revaluation of land and buildings		-	-	-	-
Share of other comprehensive income of associates		-	-	-	-
Income tax relating to components of other comprehensive income		-	-	-	-
Other comprehensive income for the period, net of tax		-	-	-	-
Total comprehensive income for the period		(3,968,416)	(6,926,340)	(4,406,375)	(6,657,077)
Total comprehensive income attributable to:					
Members of the parent entity		(3,968,416)	(7,013,640)		
Non-controlling interest		-	87,300		
		(3,968,416)	(6,926,340)		

The above statements of comprehensive income should be read in conjunction with the accompanying notes

STATEMTENTS OF FINANCIAL POSITION

As at 30 June 2010

	Consolidated Group		Pacific Enviromin Limited	
	30.06.10	30.06.2009	30.06.10	30.06.2009
	$	$	$	$
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	828,782	965,751	510,965	644,262
Trade and other receivables	83,051	282,924	79,643	172,062
Inventories	-	67,707	-	-
Other financial assets	85,733	25,734	35,000	-
TOTAL CURRENT ASSETS	997,566	1,342,116	625,608	816,324
NON-CURRENT ASSETS				
Trade and other receivables	-	-	138,995	2,151,968
Property, plant and equipment	541,092	1,159,812	59,762	63,811
Exploration and evaluation expenditure	1,056,603	3,334,107	-	-
Intangible assets	-	-	-	-
Other financial assets	-	50,000	1,000,000	2,050,010
TOTAL NON-CURRENT ASSSETS	1,597,695	4,543,919	1,198,757	4,265,789
TOTAL ASSETS	2,591,261	5,886,035	1,824,365	5,082,113
CURRENT LIABILITIES				
Trade and other payables	316,931	132,733	308,356	121,497
Borrowings	96,745	176,675	48,359	47,808
TOTAL CURRENT LIABILITIES	413,676	309,408	356,715	169,305
NON-CURRENT LIABILITIES				
Borrowings	98,988	486,831	-	-
TOTAL NON-CURRENT LIABILITIES	98,988	486,831	-	-
TOTAL LIABILITIES	512,664	796,239	356,715	169,305
NET ASSETS	2,082,597	5,089,796	1,467,650	4,192,808
EQUITY				
Issued capital	319,249,418	30,288,201	31,249,418	30,288,201
Retained earnings	(29,166,821)	(25,198,405)	(29,781,768)	(25,375,393)
Parent entity interest	2,082,597	5,089,796	1,467,650	4,912,808
Non-controlling interest	-	-	-	-
TOTAL EQUITY	2,082,597	5,089,796	1,467,650	4,912,808

The above statements of financial position should be read in conjunction with the accompanying notes

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2010

CONSOLIDATED	**Note**	**Issued Capital Ordinary**	**Revaluation Surplus**	**Non-controlling Interests**	**Retained Earnings**	**Total**
		$	**$**	**$**	**$**	**$**
Balance at 1 July 2008		27,230,680	6,671,104	(3,002,038)	(15,270,027)	15,629,719
Profit attributable to members of the parent entity		-	-	-	(7,103,640)	(7,103,640)
Profit attributable to non-controlling interests		-	-	87,300	-	87,300
Total other comprehensive income for the period		-	(6,671,104)	388	(388)	(6,671,104)
Share issued during the period		3,376,893				3,376,893
Transaction costs on share issue		(319,372)				(319,372)
Subtotal		30,288,201	-	(2,914,350)	(22,284,055)	5,089,796
Dividends paid or provided for						-
Balance at 30 June 2009		30,288,201	-	(2,914,350)	(22,284,055)	5,089,796
Balance at 1 July 2009		30,288,201	-	(2,914,350)	(22,284,055)	5,089,796
Profit attributable to members of the parent entity					(3,968,416)	(3,968,416)
Profit attributable to non-controlling interests						
Total other comprehensive income for the period						
Share issued during the period		980,000				980,000
Transaction costs on share issue		(18,783)				(18,783)
Subtotal		31,249,418	-	(2,914,350)	(26,252,471)	2,082,597
Dividends paid or provided for		-			-	-
Balance at 30 June 2010		31,249,418	-	(2,914,350)	(26,252,471)	2,082,597

The above statements of changes in equity should be read in conjunction with the accompanying notes

STATEMENTS OF CHANGES IN EQUITY

For the year ended 30 June 2010

PACIFIC ENVIROMIN LIMITED	Note	Issued Capital Ordinary	Revaluation Surplus	Non-controlling Interests	Retained Earnings	Total
		$	$	$	$	$
Balance at 1 July 2008		27,230,680	-	-	(18,718,316)	8,512,364
Profit attributable to members of the parent entity		-	-	-	(6,657,077)	(6,657,077)
Profit attributable to non-controlling interests		-	-	-	-	-
Total other comprehensive income for the period						-
Share issued during the period		3,376,893	-	-	-	3,376,893
Transaction costs on share issue		(319,372)	-	-	-	(319,372)
Subtotal		30,288,201	-	-	(25,375,393)	4,912,808
Dividends paid or provided for						-
Balance at 30 June 2009		30,288,201	-	-	(25,375,393)	4,912,808
Balance at 1 July 2009		30,288,201	-	-	(25,375,393)	4,912,808
Profit attributable to members of the parent entity		-	-	-	(4,406,375)	(4,406,375)
Profit attributable to non-controlling interests		-	-	-	-	-
Total other comprehensive income for the period						
Share issued during the period		980,000	-	-	-	980,000
Transaction costs on share issue		(18,783)	-	-	-	(18,783)
Subtotal		31,249,418	-	-	(29,781,768)	1,467,650
Dividends paid or provided for		-			-	-
Balance at 30 June 2010		31,249,418	-	-	(29,781,768)	1,467,650

The above statements of changes in equity should be read in conjunction with the accompanying notes

STATEMENTS OF CASH FLOW

For the year ended 30 June 2010

	Consolidated Group		Pacific Enviromin Limited	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
	$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	54,066	16,957	-	-
Payments to suppliers and employees	(1,105,148)	(3,025,560)	(917,243)	(2,621,382)
Interest received	18,727	131,106	8,034	123,248
Finance costs	(76,395)	(54,569)	(2,576)	(1,374)
Income tax paid	-	21,446	-	-
Net cash (used in)/provided by operating activities	(1,108,750)	(2,910,620)	(911,785)	(2,499,508)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for investments	-	-	(35,000)	-
Proceeds from sale of non-current assets	474,046	-	-	-
Purchase of non-current assets	(14,493)	(1,098,781)	(5,226)	(49,430)
Loans to subsidiaries	-	-	(161,837)	(1,510,533)
Payment for subsidiary, net of cash acquired	-	-	-	-
Net cash used in investing activities	459,553	(1,098,781)	(202,063)	(1,559,983)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of shares	980,000	3,301,892	980,000	3,301,892
Proceeds from borrowings	-	600,358	48,945	-
Repayment of borrowings	(467,772)	(347,973)	(43,394)	(19,014)
Net cash used in/(provided by) financing activities	512,228	3,554,277	980,551	3,282,878
Net increase/(decrease) in cash held	(136,969)	(455,124)	(133,297)	(776,613)
Cash and cash equivalents at beginning of period	965,751	1,420,875	644,262	1,420,875
Cash and cash equivalents at end of period	828,782	965,751	510,965	644,262

The above condensed cash flow statements should be read in conjunction with the accompanying notes

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2010

1 BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2009 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Pacific Enviromin Ltd and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2009, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not previously applied

The Group has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of ‘other comprehensive income’. In this regard, such items are no longer reflected as equity movements in the statement of changes in equity;
- the adoption of the separate income statement/single statement approach to the presentation of the statement of comprehensive income;
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third statement of financial position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

From 1 July 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group’s chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using different measures to those used in preparing the statement of comprehensive income and statement of financial position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash-generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

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Business Combinations and Consolidation Procedures

Revised AASB 3 is applicable prospectively from 1 July 2009. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the Group, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the change relates to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interests is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.
- If the Group holds less than 100% of the equity interests in an acquiree and the business combination results in goodwill being recognised, the Group can elect to measure the non-controlling interest in the acquiree either at fair value ('full goodwill method') or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ('proportionate interest method'). The Group elects which method to adopt for each acquisition.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

Revenue Recognition

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the consolidated net assets relating to that investment or where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

Going Concern

This financial report has been prepared on a going concern basis as the Directors believe that the company and the consolidated entity will be able to realise its assets and settle its liabilities in the normal course of business and at the amounts stated in the financial report. The continuation of the company and the consolidated entity as a going concern is dependent upon their ability to achieve the following objectives:

- Exploitation of the Mantuan Downs bentonite resource.
- Development and exploitation of the coal tenements
- Capital raising

However, should the anticipated sales of products and capital raisings not generate sufficient revenues and cash flows as expected, the company and consolidated entity may not be able to pay their debts as and when they become due and payable and they may be required to realise assets and extinguish liabilities other than in the ordinary course of business and at amounts different from those stated in the financial statements. This report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the company and the consolidated entity not continue as going concerns.

2 BUSINESS COMBINATIONS

Acquisition of Area Coal Pty Ltd

On 5 November 2009, the Group acquired 100% of the issued capital of Area Coal Pty Ltd, an exploration company holding 18 Exploration Permit for Coal applications, for a purchase consideration of $56,733.

The acquisition is part of the Group's overall strategy to expand its coal exploration operations.

Through acquiring 100% of the issued capital of Area Coal Pty Ltd, the Group has obtained control of the company.

The purchase was satisfied by the payment of Area Coal Pty Ltd outstanding creditor liabilities of $27,943.35 and the repayment of an Area Coal Pty Ltd loan liability of $28,789,64.

	Acquiree's carrying amount	Fair value
	$	**$**
Purchase consideration:		
— Cash		56,733
— Equity issued		-
		56,733
Less:		
Receivables (i)	401	-
Payables	(56,733)	-
Identifiable assets acquired and liabilities assumed	(56,332)	56,733
Goodwill (ii)		56,733
Purchase consideration settled in cash		56,733
Cash outflow on acquisition		56,733

i. The directors believe the receivables are not fully recoverable and have expensed the carrying amount immediately on acquisition.

ii. The goodwill is attributable to Area Coal Pty Ltd's holding of 18 Exploration Permit for Coal applications.

No amount of the goodwill is deductible for tax purposes.

Had the results relating to Area Coal Pty Ltd been consolidated from 1 July 2009, consolidated revenue of the consolidated group would have been $21,755 and consolidated loss of the combined group would have been $2,309,340 for the half-year ended 31 December 2009.

Included within administration expenses in the statement of comprehensive income are acquisition-related costs totalling $2,521. The costs include advisory and legal fees.

3 DISCONTINUED OPERATIONS

Disposal of Ironbar Pty Ltd

On 22 October 2009 the Groups transferred control and all of its equity interest in Ironbar Pty Ltd to the outside equity interest holders. By effecting the transfer the Group is relieved from its ongoing obligation to fund the maintenance of the technology patents and to fund the ongoing development costs of the Ironbar project.

4 DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends of the parent entity or any entity within the consolidated entity have been declared or recommended since the end of the preceding year. The Directors do not recommend the payment of any dividend for the year ended 30 June 2010.

5 CONTINGENT ASSETS AND LIABILITES

The consolidated entity has no known contingent assets and liabilities

6 EVENTS AFTER THE BALANCE SHEET DATE

No matters or circumstances that have significantly affected, or may affect, the company's operations in future financial years, or the company's state of affairs during future financial years occurred after the balance date.

CORPORATE DIRECTORY

DIRECTORS

John Graham Bovard
Paul James Byrne
John William Laurie
Peter Alexander Ziegler

LAWYERS

Hopgood Ganim
Level 8, Waterfront Place
1 Eagle Street
Brisbane Q 4000

COMPANY SECRETARY

Kevin Mischewski

AUDITORS

Sothertons Chartered Accountants
10 Market Street
Brisbane Q 4000

BANKERS

National Australia Bank Limited
100 Creek Street
Brisbane Q 4000

SHARE REGISTRY

Link Market Services Limited
Level 19, 324 Queen Street
Brisbane Q 4000

REGISTERED OFFICE

Pacific Enviromin Limited
Level 7, 10 Felix Street
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