

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Pacific Enviromin Limited

ABN

49 089 206 986

Quarter ended ("current quarter")

30<sup>th</sup> January 2009

### Consolidated statement of cash flows

| Cash flows related to operating activities                | Current quarter<br>\$A'000 | Year to date<br>(six months)<br>\$A'000 |
|---|----------------------------|---|
| 1.1 Receipts from customers                               | 12.7                       | 12.7                                    |
| 1.2 Payments for  |                            |   |
| (a) staff costs   | (4.7)                      | (5.4)                                   |
| (b) advertising and marketing                             | (30.2)                     | (30.2)                                  |
| (c) research and development                              | -                          | -                                       |
| (d) leased assets   | (42.0)                     | (63.7)                                  |
| (e) other working capital                                 | (674.0)                    | (1,318.8)                               |
| 1.3 Dividends received                                    | -                          | -                                       |
| 1.4 Interest and other items of a similar nature received | 41.8                       | 60.2                                    |
| 1.5 Interest and other costs of finance paid              | (0.5)                      | (1.0)                                   |
| 1.6 Income taxes paid                                     | -                          | -                                       |
| 1.7 Other: Research & Development grant                   | 22.2                       | 22.2                                    |
| Purchase of CSIRO IP                                      | (105.0)                    | (105.0)                                 |
| <b>Net operating cash flows</b>                           | <b>(779.7)</b>             | <b>(1,429.0)</b>                        |

+ See chapter 19 for defined terms.

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|  | Current quarter<br>\$A'000 | Year to date<br>(six months)<br>\$A'000 |
|--|----------------------------|---|
| 1.8 Net operating cash flows (carried forward)       | (779.7)                    | (1,429.0)                               |
| <b>Cash flows related to investing activities</b>    |                            |   |
| 1.9 Payment for acquisition of:                      |                            |   |
| (a) businesses (item 5)                              | -                          | -                                       |
| (b) equity investments                               | -                          | -                                       |
| (c) intellectual property                            | -                          | -                                       |
| (d) physical non-current assets                      | (320.6)                    | (367.3)                                 |
| (e) other non-current assets                         | -                          | -                                       |
| 1.10 Proceeds from disposal of:                      |                            |   |
| (a) businesses (item 5)                              | -                          | -                                       |
| (b) equity investments                               | -                          | -                                       |
| (c) intellectual property                            | -                          | -                                       |
| (d) physical non-current assets                      | -                          | -                                       |
| (e) other non-current assets                         | -                          | -                                       |
| 1.11 Loans to other entities                         | (100.0)                    | (200.0)                                 |
| 1.12 Loans repaid by other entities                  | -                          | -                                       |
| 1.13 Other (provide details if material)             | -                          | -                                       |
| <b>Net investing cash flows</b>                      | <b>(420.6)</b>             | <b>(567.3)</b>                          |
| <b>1.14 Total operating and investing cash flows</b> | <b>(1,200.3)</b>           | <b>(1,996.3)</b>                        |
| <b>Cash flows related to financing activities</b>    |                            |   |
| 1.15 Proceeds from issues of shares, options, etc.   | -                          | 2907.3                                  |
| 1.16 Proceeds from sale of forfeited shares          | -                          | -                                       |
| 1.17 Proceeds from borrowings                        | -                          | -                                       |
| 1.18 Repayment of borrowings                         | (3.6)                      | (18.2)                                  |
| 1.19 Dividends paid                                  | -                          | -                                       |
| 1.20 Other (capital raising costs)                   | -                          | (366.2)                                 |
| <b>Net financing cash flows</b>                      | <b>(3.6)</b>               | <b>2,522.9</b>                          |
| <b>Net increase (decrease) in cash held</b>          | <b>(1,203.9)</b>           | <b>526.6</b>                            |
| 1.21 Cash at beginning of quarter/year to date       | 3,151.3                    | 1,420.8                                 |
| 1.22 Exchange rate adjustments to item 1.20          | -                          | -                                       |
| 1.23 <b>Cash at end of quarter</b>                   | <b>1,947.4</b>             | <b>1,947.4</b>                          |

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

|      |  | Current quarter<br>\$A'000 |
|------|--|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 131.9                      |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11   | 100.0                      |

1.26 Explanation necessary for an understanding of the transactions

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| Directors fees payable and paid in the quarter |
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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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| The company acquired plant and equipment under a finance lease. Amount financed was \$345,000. |
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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

|     |  | Amount available<br>\$A'000 | Amount used<br>\$A'000 |
|-----|--|-----------------------------|------------------------|
| 3.1 | Loan facilities (equipment finance leases) | 785.2                       | 785.2                  |
| 3.2 | Credit standby arrangements                | -                           | -                      |

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**Reconciliation of cash**

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|---|----------------------------|-----------------------------|
| 4.1 Cash on hand and at bank  | 24.7                       | 151.3                       |
| 4.2 Deposits at call  | 100.5                      | -                           |
| 4.3 Bank overdraft  | -                          | -                           |
| 4.4 Other (short term deposits)   | 1,822.2                    | 3,000.0                     |
| <b>Total: cash at end of quarter</b> (item 1.23)  | <b>1,947.4</b>             | <b>3151.3</b>               |

**Acquisitions and disposals of business entities**

|   | Acquisitions<br>(Item 1.9(a)) | Disposals<br>(Item 1.10(a)) |
|---|-------------------------------|-----------------------------|
| 5.1 Name of entity                            |                               |                             |
| 5.2 Place of incorporation or registration    |                               |                             |
| 5.3 Consideration for acquisition or disposal |                               |                             |
| 5.4 Total net assets                          |                               |                             |
| 5.5 Nature of business                        |                               |                             |

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: .....30 January 2009.....  
 Kevin Mischewski, Company Secretary

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## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
  2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
    - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
    - 9.2 - itemised disclosure relating to acquisitions
    - 9.4 - itemised disclosure relating to disposals
    - 12.1(a) - policy for classification of cash items
    - 12.3 - disclosure of restrictions on use of cash
    - 13.1 - comparative information
  3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.
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**ENTITY:** PACIFIC ENVIROMIN LIMITED

**ABN:** 49 089 206 986

**ADDITIONAL INFORMATION**

30 January 2009

The majority of cash usage during this quarter was because PEV commenced large-scale mining at Mantuan Downs. There were substantial mining start-up costs for plant & equipment, road construction, fencing, and accommodation and storage facilities. In addition, a bentonite testing laboratory and sales office has commenced in Brisbane.

All facilities required for production and sales are now in place, and the ongoing cash flow requirements are substantially lower than for the subject quarter.

The unusual wet weather continued to impact operations, but a significant tonnage has been produced for sun drying, and screened and shipped for trials and sale to end users.

Agricultural applications continue to be trialled in conjunction with large agribusinesses, and several sales have been made:

- a major cotton grower in Northern NSW for soil enhancement,
- a large Australian compost-based fertilizer manufacturer for blending ,
- a supplier of vegetables to the supermarkets, and they have reported the results as excellent,
- an export shipment to New Zealand has opened up further opportunities for our high quality calcium bentonite over there.

A shipment of bentonite was delivered to the Government of Nauru for trials to improve the growing conditions for vegetables in their poor quality soils.



Sign here: ..... Date: .....30 January 2009

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