

EnviroMission

EnviroMission Limited
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COMPANY ANNOUNCEMENTS DIVISION
For Immediate Release
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Appendix 4E

In accordance with ASX Listing Rule 4.3, Appendix 4E, Preliminary Report for EnviroMission Limited, for the period ended 30 June 2008 follows.

Ends.



Roger C. Davey
Executive Chairman
Chief Executive Officer

Enviro Mission

EnviroMission Limited

ACN 094 963 238

Appendix 4E
Preliminary Final Report
Year Ended 30 June 2008

Appendix 4E

Preliminary Final Report

Period ending 30 June 2008

(Previous corresponding period is the financial year ended 30 June 2007)

EnviroMission Limited
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Results for Announcement to the Market

Revenue from ordinary activities	up	579.0%	to	\$108,620
Loss from ordinary activities attributable to members	down	13.6%	to	\$1,666,848
Net loss for the period attributable to members	down	13.6%	to	\$1,666,848

No dividend has been paid during the financial year or in the previous corresponding period. No dividend has been proposed or declared since the end of the financial year.

Revenue from ordinary activities \$108,620 compared to last year's \$15,990

Net loss attributable to members \$1,666,848 compared to last year's loss of \$1,929,081

Earnings (loss) per share of (1.8 cents) compared with last year's loss of (2.2 cents)

Diluted earnings (loss) per share of (1.8 cents) compared with last years loss of (2.2cents)

Net tangible assets per ordinary share at 30 June 2008 are (1.22) cents, 30 June 2007, (1.61) cents

Operational Overview

EnviroMission's operational activities over the 2007/8 period may best be summarized as focused on crunching numbers and regrouping.

Numbers were modelled and remodelled to inform the best case Solar Tower development scenarios *wherever* they might exist. EnviroMission adopted this strategy cognizant of development barriers associated with the termination of the 2007 merger proposal with US based Solar Tower developer, SolarMission Technologies Inc. (SMT).

The disappointing but necessary withdrawal from the merger proposal had a dramatic impact on EnviroMission's ability to meet key development goals in 2008.

The mutual termination of the merger caused a negative impact on fund raising negotiations that had reasonably anticipated EnviroMission would soon be involved with development in the more incentivized US energy market.

The failure of the merger agreement also coincided with unprecedented challenges to arise from the global debt and equity market to place increasing pressure on EnviroMission to show why an Australian development company and project should attract international investment into a market with less to offer the return on investment when compared to possible returns within the international context.

However, the justification to the merger argument remained relevant and informed EnviroMission's decision to take the move to regroup and seek to acquire SMT to create a platform and increased momentum for Solar Tower development.

It could also be argued that EnviroMission's share price and development authority was impacted by the termination of the merger agreement and the Stock Exchange Offer seeking majority control could be considered an immediate, realistic and effective remedy to provide benefit to all stakeholders of the Solar Tower licence. This bold move was also undertaken to cement EnviroMission's role in Solar Tower development into any market.

The overwhelming response to EnviroMission's Stock Exchange Offer from SMT security holders indicates strong support for EnviroMission's strategy to lead Solar Tower development anywhere in the world.

EnviroMission's challenges are no different to those faced by any developer of world first technology; development costs are fundamentally met by supporters and investors and any event that jeopardizes development only stands to place greater pressure on supporters and investors as they patiently wait for a return on their investment.

Return on investment is generally realized in two ways, either through an increase in the capital value of an investment, or through esoteric satisfaction that comes from supporting a process or development that can effect change.

At EnviroMission, it is understood many shareholders have experienced degrees of capital loss whilst maintaining their investment in EnviroMission possibly due to esoteric reasons. With this in mind, EnviroMission has had to adopt a strategy with an aim to remove economic and market barriers to increase the opportunity for incentives whilst providing equity and opportunity to all stakeholders at all stages of the development pathway.

In order to maximise EnviroMission's development work and meet shareholder expectations EnviroMission will seek shareholder approval of the SMT acquisition to achieve those expectations.

4E Preliminary Final Report

The acquisition will also create a streamlined entity where all investors in Solar Tower development will have an equal opportunity to access a return on their investment wherever development success is achieved.

Behind the scenes, lobbying and development collaborations continue to be formulated in readiness for a development outcome, and communication of these activities has largely been restricted by EnviroMission's role as a buyer at the negotiation table where confidentiality is a standard requirement.

Regrouping has also meant reallocating resources and roles across the small management team to achieve cost reductions without compromise to the overall business strategy.

Front end engineering and design forms the daily scope of operations particularly on a site by site or region by region basis. EnviroMission is now able to be informed by a more relevant methodology that includes an evaluation of place and price with other commercial factors eg labour costs, cost of finance, infrastructure during construction, proximity to grid.

What EnviroMission does know today is that the final development decision may come down to a complex rationale that could place cost behind necessity or politics ahead of all other considerations. This realization has driven EnviroMission to increase development prospects and participation in any global venture to also increase investors' opportunities to benefit from those prospects.

The best news management and the board of directors could announce to investors would be a project commencement date and it is the belief of management and the board of directors that the acquisition of SMT stands to deliver the strongest prospects to all investors over the short, medium and long term.

Consolidated Income Statement

For the Year Ended 30 June 2008

	Note	Consolidated 2008 \$	2007 \$
REVENUE FROM ORDINARY ACTIVITIES		108,620	15,990
Depreciation and amortisation		(516,865)	(524,219)
Employee expenses		(13,051)	(7,478)
Occupancy expenses		(65,933)	(63,837)
Business expenses		(267,922)	(214,397)
Travel expenses		(66,973)	(34,187)
Contracting/consulting expenses		(528,972)	(971,481)
Borrowing and facility fees		(269,150)	(28,602)
Other expenses from ordinary activities		(46,602)	(100,870)
		<hr/>	<hr/>
Loss before income tax expense		(1,666,848)	(1,929,081)
Income tax expense		-	-
Loss for the year		(1,666,848)	(1,929,081)
		<hr/>	<hr/>
Loss attributable to members of the parent		(1,666,848)	(1,929,081)
		<hr/>	<hr/>
Basic earnings per share (cents)		(1.8)	(2.2)
Diluted earnings per share (cents)		(1.8)	(2.2)

Consolidated Balance Sheet

As at 30 June 2008

	Note	Consolidated 2008	2007
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		10,834	31,557
Receivables		122,922	248,570
Other current assets		6,050	6,050
TOTAL CURRENT ASSETS		139,806	286,177
NON-CURRENT ASSETS			
Receivables		-	-
Other financial assets		-	-
Property, plant and equipment		4,527	13,742
Other non-current assets		68,679	68,679
Intangibles		6,133,675	6,641,289
TOTAL NON-CURRENT ASSETS		6,206,881	6,723,710
TOTAL ASSETS		6,346,687	7,009,887
CURRENT LIABILITIES			
Payables		1,066,584	943,847
Interest bearing liabilities		357,903	809,246
TOTAL CURRENT LIABILITIES		1,424,287	1,753,093
TOTAL LIABILITIES		1,424,287	1,753,093
NET ASSETS		4,922,400	5,256,794
EQUITY			
Contributed equity		20,277,289	18,944,835
Accumulated losses		(15,354,889)	(13,688,041)
TOTAL EQUITY		4,922,400	5,256,794

Consolidated Changes in Equity For the Year Ended 30 June 2008

	2008 \$	2007 \$
Total Equity at the beginning of the Year	5,256,794	6,742,682
Profit/(loss) for the year	(1,666,848)	(1,929,081)
Total recognised income and expense for the period	(1,666,848)	(1,929,081)
Attributable to:		
Members of the parent	(1,666,848)	(1,929,081)
	(1,666,848)	(1,929,081)
Transactions with equity holders in their capacity as equity holders:		
Contributions	1,332,454	443,193
	1,332,454	443,193
Total Equity at the end of the Year	4,922,400	5,256,794

Statement of Cash Flows

For the Year Ended 30 June 2008

Note	Consolidated 2008 \$	2007 \$
Cash Flows from Operating Activities		
Receipts from customers	-	-
Research & Development refund	-	-
Interest received	3,871	318
Payments to customers/operating costs	(674,689)	(708,519)
Net cash used in operating activities	<u>(670,818)</u>	<u>(708,201)</u>
Cash Flows from Investing Activities		
Purchase of fixed assets	-	(1,091)
Payment for property option	-	(14,833)
Payment for property bond	-	-
Refund of property bond	-	-
Net cash used in investing activities	<u>-</u>	<u>(15,924)</u>
Cash Flows from Financing Activities		
Proceeds from share issues-net	-	128,707
Proceeds from borrowings	650,095	626,767
Net cash provided by financing activities	<u>650,095</u>	<u>755,474</u>
Net (Decrease) in Cash Held	<u>(20,723)</u>	<u>31,349</u>
Cash at beginning of financial year	<u>31,577</u>	<u>208</u>
Cash at end of financial year	<u><u>10,834</u></u>	<u><u>31,557</u></u>

SEGMENT INFORMATION

The company operates in one industry and one geographic area only.

ACCUMULATED LOSSES

	Consolidated	
	2008	2007
	\$	\$
Accumulated losses		
Opening balance	(13,688,041)	(11,758,960)
Current period losses	(1,666,848)	(1,929,081)
Closing Balance	(15,354,889)	(13,688,041)

EARNINGS PER SHARE

Basic earnings / (loss) per share (cents)	(1.8)	(2.2)
Diluted earnings / (loss) per share (cents)	(1.8)	(2.2)
Weighted average number of ordinary shares used in the calculation of basic earnings per share.	92,981,134	86,256,470
Earnings / (loss) used in calculating basic and diluted earnings per share calculation	(1,666,848)	(1,929,081)

Potential ordinary shares not considered dilutive

As at 30 June 2008 the company had no options on issue over unissued capital.

NET TANGIBLE ASSET BACKING

Net tangible asset backing per ordinary share at 30 June 2008, (1.22) cents, and at previous corresponding period, (1.61) cents.

EVENTS SUBSEQUENT TO REPORTING DATE

There have been no events subsequent to 30 June to have a material effect on the company.

COMPLIANCE STATEMENT

The financial information provided in the Appendix 4E is based on the annual financial report, which has been prepared in accordance with Australian accounting standards or standards acceptable to ASX.

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

This report does give a true and fair view of the matters disclosed.

This report is based on accounts which are in the process of being audited.

The financial report is not likely to be the subject of dispute or qualification.

The entity has a formally constituted audit committee.



Signed:Date, 29 August, 2008

Roger C. Davey
Executive Chairman
Chief Executive Officer