



EnviroMission Limited
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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, 2012, follows.

It should be noted the Preliminary Financial Report has not yet been audited and may be subject to change.

Ends.

Roger C. Davey
Executive Chairman
Chief Executive Officer

Media Enquires
Kim Forte (+61414690356)
Communications Manager
EnviroMission Limited
Director
EnviroMission (USA), Inc.

ENVIROMISSION LIMITED
ACN 094 963 238

APPENDIX 4E
PRELIMINARY FINAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2012

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenues from ordinary activities	Up	-349%	to	\$	6,719
Loss from ordinary activities attributable to members	Down	-34%	to	\$	1,567,264
Net loss for the period attributable to members	Down	-34%	to	\$	1,567,264

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 end.

Revenue from ordinary activities \$6,719 compared to last year's \$1,496.

Net loss attributable to members \$1,567,264 compared to last year's loss of \$1,168,726.

Earnings/(loss) per share of (0.42 cents) compared with last year's loss of (0.35 cents).

Diluted earnings/(loss) per share of (0.42 cents) compared with last year's loss of (0.34 cents).

REVIEW OF OPERATIONS

During the past year EnviroMission has continued development activity in the United States, with the Phoenix office managing EnviroMission's activities at Lapaz. This has involved site work, environmental activity, aerial surveys, desk top geotechnical study filed with the federal aviation authority, completed a critical impact analysis, water analysis and other related developmental activities.

Project finance discussions are ongoing with bank to bank, and to bank to lawyer negotiations underway. The financing structure being examined is both innovative and unique and will, if successful provide 100% project equity and no debt. EnviroMission is currently examining numerous proposals for the development of The Australian Solar Tower concept in other jurisdictions with high expectations of successful negotiations.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	Consolidated Group	
	2012	2011
	\$	\$
Revenue from ordinary activities	6,719	1,496
Borrowing costs	-	(150,000)
Business expenses	(449,291)	(160,326)
Contracting/ consulting expenses	(768,062)	(778,246)
Depreciation and amortisation	(1,720)	(5,613)
Employee expenses	(69,626)	(63,737)
Finance cost	(30,157)	6,615
Loss on sale of investment	(36,912)	-
Occupancy expenses	(94,442)	(74,394)
Other administration expense	(102,258)	75,794
Travel expenses	(21,515)	(17,246)
Unrealised loss on investment	-	(3,069)
Loss before income tax expense	(1,567,264)	(1,168,726)
Income tax expense	-	-
Loss for the year	(1,567,264)	(1,168,726)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(1,567,264)	(1,168,726)
Total comprehensive income attributed to:		
Members of EnviroMission Limited	(1,567,264)	(1,168,726)
Non-Controlling interests	-	-
Earnings per share		
Basic earnings per share (cents)	(0.42)	(0.35)
Diluted earnings per share (cents)	(0.42)	(0.34)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Consolidated Group	
	2012	2011
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	341,112	3,046
Trade and other receivables	17,923	77,387
Prepayments	4,807	20,000
TOTAL CURRENT ASSETS	<u>363,842</u>	<u>100,433</u>
NON-CURRENT ASSETS		
Property, plant and equipment	777	2,460
Other non-current assets	14,925	8,696
Intangibles	1,107,017	995,622
TOTAL NON-CURRENT ASSETS	<u>1,122,719</u>	<u>1,006,778</u>
TOTAL ASSETS	<u>1,486,561</u>	<u>1,107,211</u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	971,300	725,925
TOTAL CURRENT LIABILITIES	<u>971,300</u>	<u>725,925</u>
NON-CURRENT LIABILITIES		
Trade and other payables	1,249,289	1,619,125
Interest bearing liabilities	266,138	94,677
Non-interest bearing liabilities	185,120	133,463
TOTAL CURRENT LIABILITIES	<u>1,700,547</u>	<u>1,847,265</u>
TOTAL LIABILITIES	<u>2,671,847</u>	<u>2,573,190</u>
NET ASSETS	<u>(1,185,286)</u>	<u>(1,465,979)</u>
EQUITY		
Issued Capital	33,035,811	31,220,811
Reserves	460,645	427,688
Accumulated losses	(34,681,742)	(33,114,478)
TOTAL EQUITY	<u>(1,185,286)</u>	<u>(1,465,979)</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012**

	Ordinary Share Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Total \$
Consolidated Group				
Balance as at 1 July 2010	30,215,034	(31,945,752)	123,493	(1,607,225)
Share issued during the year	1,005,777	-	-	1,005,777
Loss attributable to members of parent entity	-	(1,168,726)	-	(1,168,726)
Adjustments from translation of foreign controlled entities	-	-	304,195	304,195
Balance at 30 June 2011	<u>31,220,811</u>	<u>(33,114,478)</u>	<u>427,688</u>	<u>(1,465,979)</u>
Balance as at 1 July 2011	31,220,811	(33,114,478)	427,688	(1,465,979)
Share issued during the year	1,815,000	-	-	1,815,000
Loss attributable to members of parent entity	-	(1,567,264)	-	(1,567,264)
Adjustments from translation of foreign controlled entities	-	-	32,957	32,957
Balance at 30 June 2012	<u>33,035,811</u>	<u>(34,681,742)</u>	<u>460,645</u>	<u>(1,185,286)</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2012**

	Consolidated 2012 \$	Consolidated 2011 \$
Net cash flows from operating activities		
Interest income	285	1,380
Refund of deposit	-	101,004
Payments to suppliers & employees	(996,278)	(13,502)
Payments for income tax expenses	(13)	-
Net cash inflow/ (outflow) from operating activities	<u>(996,006)</u>	<u>88,882</u>
Cash flows from investing activities		
Proceeds from sale of investments	83,644	-
Payments for property, plant & equipment	-	(1,200)
Payments for intangible assets	(108,375)	(595,622)
Net cash inflow/ (outflow) from investing activities	<u>(24,731)</u>	<u>(596,822)</u>
Cash flows from financing activities		
Proceeds from the issue of shares	1,108,000	400,749
Proceeds from borrowings	275,194	93,244
Repayment of borrowings	(2,500)	-
Net cash inflow/ (outflow) from financing activities	<u>1,380,694</u>	<u>493,993</u>
Net increase in cash and cash equivalents		
Cash and cash equivalents at the beginning of the financial year	359,957	(13,947)
Effects of exchange rate changes on the balance of cash and cash equivalents in foreign currencies	3,046	20,461
Cash and cash equivalents at the end of the financial year	<u>(21,891)</u>	<u>(3,468)</u>
	<u>341,112</u>	<u>3,046</u>
Notes to the condensed consolidated statement of cash flows		
Reconciliation of cash		
Cash on hand and at bank	<u>341,112</u>	<u>3,046</u>

SEGMENT INFORMATION

The Company has one business segment, being the development of Solar Towers as a source of renewable energy and operates in two geographical segments, Australia and the United States of America.

ACCUMULATED LOSSES

	Consolidated Group	
	2012	2011
	\$	\$
Accumulated losses at beginning of the financial period	(33,114,478)	(31,945,752)
Net loss attributable to members	(1,567,264)	(1,168,726)
Accumulated losses at end of financial period	<u>(34,681,742)</u>	<u>(33,114,478)</u>

EARNINGS PER SHARE

Loss used to calculate basic and dilutive EPS	(1,567,264)	(1,168,726)
	Number	Number
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	372,371,515	335,085,618
Weighted average number of dilutive options outstanding	-	3,999,254
Weighted average number of ordinary shares outstanding during the period used in the calculation of diluted EPS	<u>372,371,515</u>	<u>339,084,872</u>
Basic earnings/ (loss) per share (cents)	(0.42)	(0.35)
Diluted earnings/ (loss) per share (cents)	(0.42)	(0.34)

Potential ordinary shares not considered dilutive

At 30 June 2012, the Company had on issue 121,628,723 unlisted options over unissued capital and had incurred a net loss. Unlisted options are not considered dilutive and have not been included in the calculations of diluted earnings per share.

NET TANGIBLE ASSET BACKING

Net tangible asset backing per ordinary share at 30 June 2012, (0.616 cents), and at previous corresponding period, (0.73 cents).

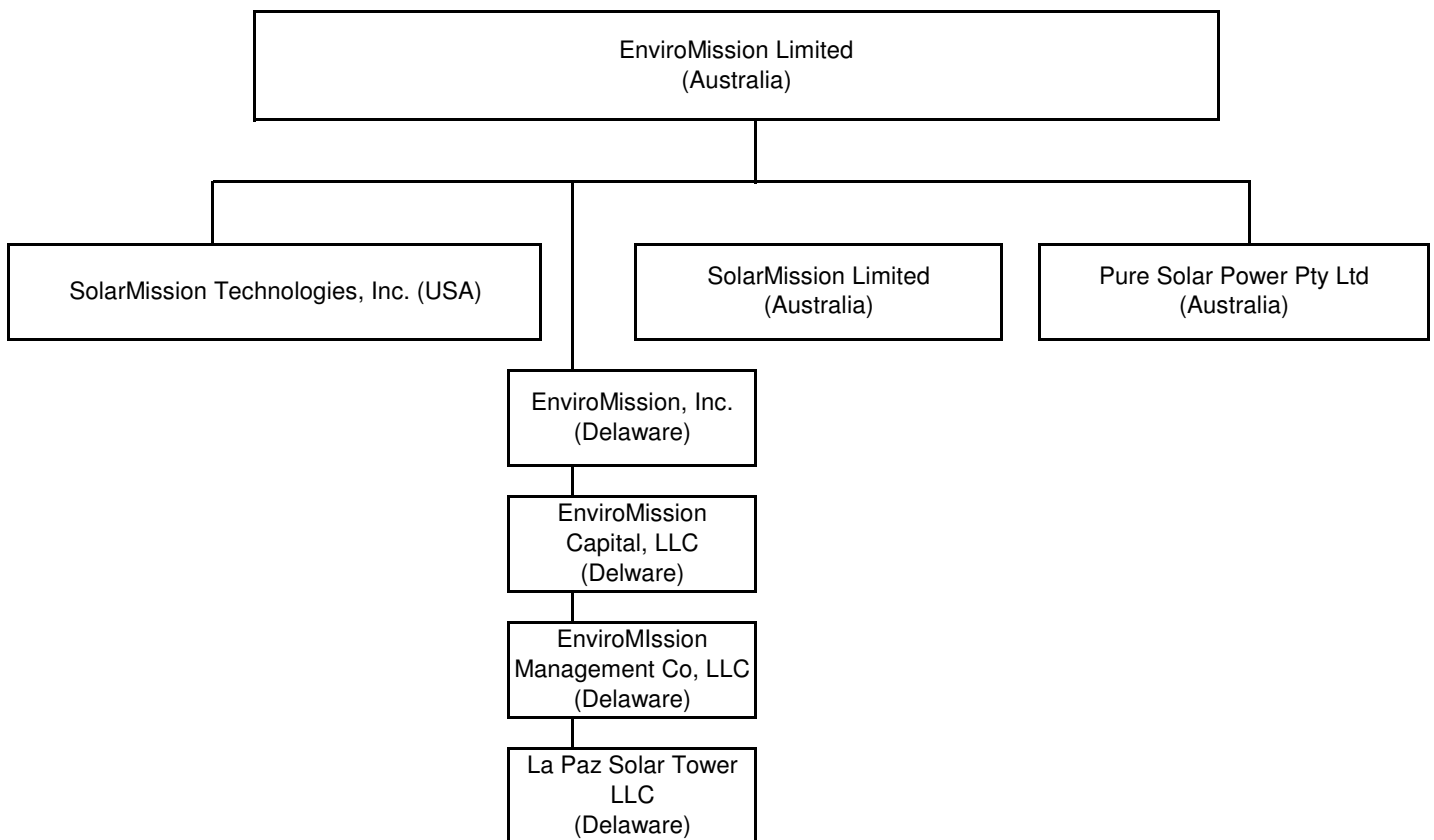
DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED

During the financial year, the Company reorganised its group structure to enhance its strategy in the development of Solar Tower in the United State of America by acquiring three Delaware corporations, namely EnviroMission, Inc., EnviroMission Capital, LLC. and EnviroMission Management Co., LLC. On 22 November 2011, the Company contributed 100% of its shares in its wholly-owned subsidiary EnviroMission (USA), Inc. to EnviroMission, Inc., a newly formed Delaware corporation ("EVM Inc."), in exchange for 100% of ownership interest in EVM Inc.. On the same date, EVM Inc. converted its wholly-owned subsidiary EnviroMission (USA), Inc. to a Delaware limited liability company named La Paz Solar Tower LLC ("LPST").

On 22 November 2011, EVM Inc. contributed 100% of its shares in its wholly-owned subsidiary LPST to a newly formed Delaware limited liability company EnviroMission Management Co., LLC ("EVM Mgt"), in exchange for 100% of ownership interest in EVM Mgt.

On 22 November 2011, EVM Inc. contributed 100% of its shares in its wholly-owned subsidiary EVM Mgt to a newly formed Delaware limited liability company EnviroMission Capital, LLC ("EVM Capital"), in exchange for 100% of ownership interest in EVM Capital.

The new structure of the Group is as follow:



EVENTS SUBSEQUENT TO REPORTING DATE

There have been no events subsequent to 30 June 2012 that have had a material effect on the Company.

COMPLIANCE STATEMENT

The financial information provided in the Appendix 4E is based on the annual financial report, which is being 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.



Signed:

Roger C. Davey
Director

Melbourne, 31 August 2012