

Appendix 4E

Preliminary final report

Name of entity

Telezon Ltd

ABN or equivalent company reference

009 151 277

Preliminary final (*tick*)

✓

Financial year ended ('current period')

30 June 2010

2. Results for announcement to the market

\$A

2.1	Revenues from ordinary activities	Down	90%	to	4,558
2.2	Loss from ordinary activities after tax attributable to members	Down	13%	to	389,131
2.3	Net loss for the period attributable to members	Down	13%	to	389,131
2.4 Dividends			Amount per security		Franked amount per security
	Final dividend		Nil		N/A
	Previous corresponding period		Nil		N/A
2.5	Record date for determining entitlements to the dividend.				
	N/A				
2.6	Brief explanation of any of the figures reported above in 2.1 to 2.4 necessary to enable the figures to be understood:				
	N/A				

3. Statement of Comprehensive Income

	Current Year 30 June 10 A\$	Restated 30 June 09 A\$	Previous Year 30 June 09 A\$
Revenue from ordinary activities	4,558	43,593	43,593
Depreciation and amortisation expenses	10,651	20,811	20,811
Management fees	80,000	80,000	80,000
Listing and share registry	31,603	22,976	22,976
Salaries and employee benefits/Directors' fees	199,099	236,931	160,000
Shared based payments	-	20,474	20,474
Other expenses	72,336	110,475	110,475
Loss before income tax expense	(389,131)	(448,074)	(371,143)
Income tax expense	-	-	-
Loss for the year	(389,131)	(448,074)	(371,143)
Other comprehensive income			
Movement in financial assets reserve	13,500	-	-
Other comprehensive income for the year	13,500	-	-
Total comprehensive loss for the year	(375,631)	(448,074)	(371,143)

4. Statement of Financial Position

	Current Year 30 June 10 A\$	Restated 30 June 09 A\$	Previous Year 30 June 09 A\$
Current assets			
Cash	484,100	872,828	872,828
Receivables	9,614	8,289	8,289
Investments	25,900	13,120	13,120
Total current assets	519,614	894,237	894,237
Non current assets			
Plant and equipment	54,792	64,723	64,723
Intangibles	2,037,224	1,743,256	1,743,256
Total non current assets	2,092,016	1,807,979	1,807,979
Total assets	2,611,630	2,702,216	2,702,216
Current liabilities			
Payables	148,909	91,864	14,933
Total current liabilities	148,909	91,864	14,933
Total liabilities	148,909	91,864	14,933
Net assets	2,462,721	2,610,352	2,687,283
Equity			
Contributed equity	24,524,386	24,296,386	24,296,386
Reserves	619,205	605,705	605,705
Accumulated losses	(22,680,870)	(22,291,739)	(22,214,808)
Total equity	2,462,721	2,610,352	2,687,283

5. Statement of Changes in Equity

	Ordinary Share Capital A\$	Option Reserve A\$	Financial assets Reserve A\$	Accumulated Losses A\$	Total A\$
Balance at 01/07/2008	24,296,386	585,231	-	(21,843,665)	3,037,952
Loss for the year	-	-	-	(371,143)	(371,143)
Total comprehensive income for the year	-	-	-	(371,143)	(371,143)
Correction of prior year error	-	-	-	(76,931)	(76,931)
Restated total comprehensive income for the year	-	-	-	(448,074)	(448,074)
Options issued during the year	-	20,474	-	-	20,474
Restated Balance at 30/6/09	24,296,386	605,705	-	(22,291,739)	2,610,352
Balance at 01/07/2009	24,296,386	605,705	-	(22,291,739)	2,610,352
Loss for the year	-	-	-	(389,131)	(389,131)
Revaluation increment	-	-	13,500	-	13,500
Total comprehensive loss for the year	-	-	13,500	(389,131)	(375,631)
Shares issued during the year	228,000	-	-	-	228,000
Balance at 30/06/2010	24,524,386	605,705	13,500	(22,680,870)	2,462,721

6. Statement of Cash Flows

	Current Year 30 June 10 A\$	Previous Year 30 June 09 A\$
Cash flows from operating activities		
Payments to suppliers and employees	(327,318)	(360,349)
Interest received	3,183	42,343
Net operating cash flows	(324,135)	(318,006)
Cash flows from investing activities		
Payment for development expenditures and intangibles	(293,968)	(335,038)
Dividends received	1,375	1,250
Net investing cash flows	(292,593)	(333,788)
Cash flows from financing activities		
Proceeds from the issue of ordinary shares	228,000	-
Net financing cash flows	228,000	-
Net decrease in cash held	(388,728)	(651,794)
Cash at the beginning of the financial year	872,828	1,524,622
Effect of exchange rates on cash holdings in foreign currencies	-	-
Cash at the end of the financial year	484,100	872,828

Reconciliation of cash

	Current Year 30 June 10 A\$	Previous Year 30 June 09 A\$
Cash on hand and at bank	484,100	872,828
Total cash at end of year	484,100	872,828

7. Details of individual and total dividends

	Amount per security	Franked amount per security at % tax	Amount per security of foreign source dividend
Final dividend: Current year	NIL¢	N/A¢	N/A¢
Previous year	NIL¢	N/A¢	N/A¢
Interim dividend: Current year	NIL¢	N/A¢	N/A¢
Previous year	NIL¢	N/A¢	N/A¢

8. Details of dividend reinvestment plans

N/A

9. NTA Backing

	Current period	Previous corresponding period (restated)	Previous corresponding period
Net tangible asset backing per ordinary security	1.4 cents	3.0 cents	3.3 cents

10a. Control gained over entities having material effect

Name of entity (or group of entities)	No entities acquired during the period
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was acquired	N/A
Date from which such profit has been calculated	N/A
Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

10b. Loss of control of entities having material effect

Name of entity (or group of entities)	No entities disposed of during the period
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
Date to which the profit (loss) has been calculated	N/A
Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

11. Details of aggregate share of profits/(losses) of associates and joint venture entities

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss)	
	Current period \$A'000	Previous corresponding period- \$A'000	Current period \$A'000	Previous corresponding period - \$A'000
Equity accounted associates and joint venture entities				
N/A				
Total				

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.

N/A

13. Accounting standards for foreign entities

N/A

14. Commentary on the results for the period

14.1 Earnings per security (EPS)	Current Year 30 June 10	Restated Previous Year 30 June 09	Previous Year 30 June 09
Basic EPS	(1.31)	(1.54)	(1.28)
Diluted EPS	(1.31)	(1.54)	(1.28)

14.2 Returns to shareholders (Including distributions and buy backs)

	Current period \$A'000	Previous corresponding period - \$A'000
Ordinary securities <i>(each class separately)</i>	N/A	N/A
Preference securities <i>(each class separately)</i>	N/A	N/A
Other equity instruments <i>(each class separately)</i>	N/A	N/A
Total	N/A	N/A

The dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the dividend or distribution plans

N/A

Any other disclosures in relation to dividends (distributions).

N/A

14.3 Significant features of operating performance

N/A

14.4 Segment Information

N/A

14.5 Report on trends in performance

N/A

14.6 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified.

N/A

Any other information required to be disclosed to enable the reader to compare the information presented with equivalent information for previous periods. This must include information needed by an investor to make an informed assessment of the entity's activities and results.

NIL

15 This report is based on accounts to which one of the following applies.

- | | | | |
|-------------------------------------|--|--------------------------|--|
| <input type="checkbox"/> | The accounts have been audited. | <input type="checkbox"/> | The accounts have been subject to review. |
| <input checked="" type="checkbox"/> | The accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The accounts have <i>not</i> yet been audited or reviewed. |

16 If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.

N/A

17 If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.

N/A

Name: Michelle Carr
Director

Date: 30/8/10