

# KTL Technologies Limited

ABN 75 009 089 981

## Appendix 4D

### Half year report for the half year ended 30 June 2009

#### “Results for announcement to market”

- 1(a)** The reporting period is the half year ended 30 June 2009.  
**1(b)** The previous corresponding reporting period is the half year ended 30 June 2008.

|               |   | Movement<br>\$000's or<br>%                          |                | 2009<br>\$000's |
|---------------|---|--|----------------|-----------------|
| <b>2.1(a)</b> | The amount change up or down from the previous corresponding period of revenue from ordinary activities.  | <b>Up</b>  | -              | to -            |
| <b>2.1(b)</b> | The percentage change up or down from the previous corresponding period of revenue from ordinary activities.  | <b>Up</b>  | -              | to -            |
| <b>2.2(a)</b> | The amount change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members     | <b>Down</b>  | <b>\$1,771</b> | to <b>(190)</b> |
| <b>2.2(b)</b> | The percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members | <b>Down</b>  | <b>90%</b>     | to <b>(190)</b> |
| <b>2.3(a)</b> | The amount change up (or down) from the previous corresponding period of net profit (loss) for the period attributable to members.                  | <b>Down</b>  | <b>\$1,771</b> | to <b>(190)</b> |
| <b>2.3(b)</b> | The percentage change up (or down) from the previous corresponding period of net profit (loss) for the period attributable to members.              | <b>Down</b>  | <b>90%</b>     | to <b>(190)</b> |
| <b>2.4(a)</b> | The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.     | <b>Not Applicable</b>                                |                |                 |
| <b>2.4(b)</b> | The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.     | <b>Not Applicable</b>                                |                |                 |
| <b>2.5</b>    | The record date for determining entitlements to the dividends (if any).   | <b>Not Applicable</b>                                |                |                 |
| <b>2.6</b>    | A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.   | <b>Refer to Notes on page 2 and 3 of appendix 4D</b> |                |                 |

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### **Half year report for the half year ended 30 June 2009 (continued)**

|             | Item   | Comment                                   |
|-------------|--|---|
| <b>3(a)</b> | Net tangible assets per security as at 30 June 2009.   | <b>\$0.008</b>                            |
| <b>3(b)</b> | Net tangible assets per security as at 30 June 2008.   | <b>\$0.007</b>                            |
| <b>4</b>    | Details of entities over which control has been gained or lost during the period, including the following.   |   |
| <b>4.1</b>  | Name of the entity.  | <b>Not Applicable</b>                     |
| <b>4.2</b>  | The date of the gain or loss of control.   | <b>Not Applicable</b>                     |
| <b>4.3</b>  | Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.  | <b>Not Applicable</b>                     |
| <b>5</b>    | Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if Known) the amount per security of foreign sourced dividend or distribution.   | <b>Not Applicable</b>                     |
| <b>6</b>    | Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.   | <b>Not Applicable</b>                     |
| <b>7</b>    | Details of associates and joint venture entities including the name of the associate or joint venture entity and details of the reporting entity's percentage holding in each of these entities and – where material to an understanding of the report – aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period. | <b>Not Applicable</b>                     |
| <b>8</b>    | For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).   | <b>International Accounting Standards</b> |
| <b>9</b>    | For all entities, if the +accounts are subject to audit dispute or qualification, a description of the dispute or qualification.   | <b>Not Applicable</b>                     |

#### **Notes:**

- On 6 November 2008, the 65% share ownership in Jilin Huisheng Strong Magnet Company Ltd (JHSM) was transferred from Jilin Australia Energy Technology Company Limited (JAET) to KTL Technologies Hong Limited (KTLHK). Both JAET and KTLHK were 100% owned by the Company at the time of this transaction. After the transaction, KTLHK owned the 65% share ownership of JHSM and 33.15% share ownership of Beililong Magnet Material Technology Co., Ltd (BBMMT) (JHSM's 51% owned subsidiary company Beijing).

At the Extraordinary Shareholders Meeting held on 16 December 2008, shareholders approved a capital reduction in the form of pro rata in specie distribution of KTLHK shares, which is conditional on compliance by the Company and KTLHK in all respects with the Corporations Act and the ASX Listing Rules. On 24 December 2008, the in specie distribution of KTLHK shares became effective and KTLHK is no longer a subsidiary of the Company.

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### Notes: (continued)

Therefore, the losses of KTLHK and JHSM for the period ended 30 June 2008 are treated as losses from discontinued operations and excluded from the results from operating activities for the period ended 30 June 2008.

2. During the period ended 30 June 2008, the Company allotted and issued an aggregate of 50,000,000 ordinary shares to the Key Employees of Jilin Huisheng Strong Magnet Company. The fair value of the 50,000,000 ordinary shares was measured at AUD0.025 which was the market price on the date of issuance totalling \$1,250,000, and was included in the of loss from ordinary activities after tax attributable to members for the period ended 30 June 2008.