LASER BOND™

EXTENDING MACHINERY LIFE WITH ADVANCED SURFACE ENGINEERING

SHAREHOLDER'S ANNUAL REPORT

For period ending 30 June 2009

Shareholder's Annual Report

LaserBond Limited

ABN 24 057 636 692

For period ending 30th June 2009

All comparisons to period ending 30th June 2008

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Chairman's Report

LaserBond Limited has had a very successful year ending 30th June 2009, illustrated by the company's steady corporate and operational performance. LaserBond's focus on increasing its presence in the company's core segments of reclamation and enhancement of industrial components has resulted in attracting new blue chip customers, and bolstering the company's overall development. Furthermore, LaserBond continues to progress its expansion into complementary segments to strengthen its project pipeline, pursue larger and more lucrative contracts, and drive greater earnings visibility.
Despite the challenging economic landscape, LaserBond's solid performance is reflected in the financial results. The company increased revenue to $9.1 million, up 153% from the prior corresponding period and increased NPAT (before significant items) from $241,160 in 2008 to $669,503 in 2009, up 177.62%. More encouraging is the company's 206% volume growth in EBIT to $763,000 up from $249,000 and 161% EBITDA growth to $924,000 up from $355,000. These figures are representative of strong organic growth and the successful acquisition of the Peachey's Engineering business. Reported profit (after significant items) was up only marginally from the full-year 2008, as the terms of the share sale deed for Peachey's impacted the company's profit as a significant one-off item.

LaserBond continues to invest in the company's people, and the previous year's strategy of appointing key senior executives to drive corporate development and sales activity has been a primary performance driver. I would like to take this opportunity to commend the senior management team for their efforts which has ensured LaserBond is well placed for future growth.

Organic Growth

LaserBond has secured a three year supply contract with Weir Minerals Australia. The contract further cements the relationship with Weir Minerals that has been active since 1993. The multi-million contract reflects LaserBond's strengthening capabilities, and will facilitate the transition into supplementary markets such as complete component manufacturing. This is an exciting prospect and has the potential to significantly expand LaserBond's contract pipeline.

The exclusive five year agreement signed with leading alumina and aluminium producer, Alcoa further illustrates LaserBond's exposure to and relationship with global blue-chip customers. Under the agreement, LaserBond will provide Alcoa with an engineering coating that will significantly extend the service life of high-value components.

Acquisitions

The acquisition of Gladstone based Peachey's Engineering, completed in November, 2008 was LaserBond's first acquisition and it has been a successful transaction. Peachey's Engineering maintains a long standing reputation within the Queensland engineering sector. LaserBond has fully integrated Peachey's including the alignment of ERP systems, and in the seven months to June 30, 2009 the business has already contributed to revenue and profit growth.

The acquisition forms part of LaserBond's strategy to enter complementary markets and locations using the company's core reclamation and advanced surface technology offering. The potential to expand into sectors such as infrastructure support services to the mining and materials processing industries is significant.

Outlook

LaserBond is in a strong position as it enters 2010 with a robust pipeline of opportunities. The company expects to increase revenue and profit in the coming year. The company also maintains a strong balance sheet with minimal debt and is well placed to pursue growth opportunities both organically and through strategic acquisitions.

The challenges faced by many companies in the previous financial year have ultimately reinforced the reputation of LaserBond's unique service offering. Customers continue to examine their capital expenditure budgets and rationalise costs. This provides significant commercial opportunities as customers look to more refurbishment and maintenance of existing equipment.

I would like to thank shareholders for their ongoing support and commitment and expect that the year ahead holds some exciting growth prospects that can ultimately deliver greater shareholder value.

T McCauley

Tim McCauley
Executive Chairman

LaserBond Limited

Director's Report

Your Directors present their report on the consolidated entity, consisting of LaserBond Limited and the entities it controlled, if controlled during, and at the end of, the financial year ended 30th June 2009.

Directors

Details of the Company's Directors during the financial year and up to the date of the report are as follows (Directors have been in office for the entire period unless otherwise stated):

Wayne Hooper
Greg Hooper
Timothy McCauley
Philip Suriano

All current executive directors of the company are considered the key management personnel for the management of it's affairs.

Remuneration Report

Remuneration levels for directors of the group are competitively set to attract, motivate and retain appropriately qualified and experienced directors. Remuneration levels are reviewed annually by the Board through a process that considers the overall performance of the group. The remuneration policy attempts to align reward with the achievement of strategic objectives and the creation of value for shareholders. Please refer to the Corporate Governance Statement in this report.

Director's Remuneration:

Amounts paid or payable to directors during the financial year ending 30 June 09 were:

	Salaries and fees	Superannuation
Wayne Hooper	96,508	40,617
Greg Hooper	181,938	16,200
Timothy McCauley	126,077	13,125
Philip Suriano	25,000	-
	429,523	69,942

Director's Shareholding

As at 14th September 2009, the number of issued shares to directors were:

Wayne Hooper	7,728,395
Greg Hooper	8,000,064
Timothy McCauley	1,000,000
Philip Suriano	45,000

Information on Directors

Timothy McCauley – Executive Chairman

Tim has extensive experience as a company director and senior executive with significant strengths in developing business channels, strategic development and finance. Tim began his career with KPMG accountants and recently held the position of Managing Director, in the listed company Auto One Limited. Tim has spent over 20 years with multinational companies in senior roles developing and managing operations throughout the USA and Australia. Tim holds a Bachelor of Business (Accounting & Finance (Honours)) and an MBA. He is a member of the Institute of Company Directors.

Wayne Hooper – Executive Director

Wayne is a professional engineer with significant experience within the engineering and manufacturing industries. His engineering experience includes design, maintenance and project management. Prior to joining the company in 1994, Wayne also held senior roles in marketing and sales management within a large manufacturing organisation. He holds degrees in Science and Engineering (Honours Class 1) and completed his MBA in 1994. He is involved in laser technology development, factory, engineering and administration of the Company.

Gregory Hooper – Executive Director

Greg is the founder of the Company. Greg has a mechanical engineering background with extensive hands on and sales experience in the engineering, welding and thermal spray industries. With his knowledge of and passion for these industries, and seeing the potential applications for coating technology, Greg founded the Company assisted by other members of the Hooper family in late 1992. Greg, utilising the in-house laboratory, developed the applications parameters for the H.V.O.F. and LaserBond™ processes. Greg will focus on the ongoing research and development of laser materials processing and Thermal spray technology, and the training of personnel in these technologies..

Philip Suriano - Non Executive Director

Mr Suriano's other Directorships include Adavale Resources Limited and Real Brand Holdings Limited. Mr Suriano began his career in corporate banking with the Commonwealth Bank in 1988. He then spent 16 years in senior positions within the Australian television industry, working in both free to air and pay television, where he gained wide knowledge & experience to give him a strong background in operations, sales and marketing. Mr Suriano was also employed within the Victor Smorgon Group of Companies and was a former Director of Microview Limited (Australian Power Gas Limited). For the past 6 years Mr Suriano has been working with Arthur Phillip, a boutique investment house where he is Division Director, Equity Capital Markets.

Information on Company Secretary

Matthew Twist
The company secretary at the date of this report is Mr Matthew Twist. Matthew was appointed Company Secretary on 30 March 2009, replacing Mr Ian Maltman. Matthew also holds the position of Chief Financial Officer of the company (since March 2007), providing over 16 years financial management experience, encompassing financial and operational control and systems development in manufacturing companies.

Director's Meetings

During the financial year ended 30th June 2009, the number of meetings held, and attended, by each Director were as follows:

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Wayne Hooper	8	8
Gregory Hooper	8	6
Timothy McCauley	8	8
Philip Suriano	8	7

Principal Activities

The principal activity of LaserBond Ltd is the reclamation and surface engineering of industrial components operating in severe industrial environments.

With the purchase of Peachey's Engineering Pty Ltd in Gladstone, Queensland and the custom designed fabrication facility moved into in February 2009, LaserBond now has the capacity and capabilities to also provide large scale fabrication, assembly and disassembly work.

Review of Operations

	% Increase	2009	% Revenue	2008	% Revenue
Revenue	153.02%	9,086,764	153.02%	3,591,258	
EBITDA	160.58%	923,995	10.17%	354,592	9.87%
EBIT	206.21%	762,704	8.39%	249,076	6.94%
NPAT (before significant items)	177.62%	669,503	7.37%	241,160	6.72%
Profit Share (Share Sale Deed Arrangement)		398,613	4.39%	0	0.00%
Reported Profit (after significant items)	12.33%	270,890	2.98%	241,160	6.72%

Continuing strong demand for the company's services have generated revenue of $9.1m for the year ended 30 June 2009, up 153% from the previous year's level of $3.6m. Our successful expansion into central QLD with the acquisition of Peachey's Engineering has contributed to our earnings, resulting in a higher profile in the market place for our unique services. Peachey's Engineering operates from 2 locations in Gladstone; a full engineering machine workshop and a recently built fabrication workshop. LaserBond will install HVOF and Laser technologies in the coming fiscal year to better serve our customers.

Growing customer acceptance in our unique technologies was also confirmed with the signing of a 3 year contract with Weir Mineral Australia to supply a range of machined and coated components. Weir has been a customer since 1993. This contract is worth approximately $ 9.6 m over the next 3 years. The orders enable the company to operate with a solid base workload for the coming year.

Revenue for the financial year also included 7 months of contributions from Peachey's Engineering.

Results for the Financial Year

Earnings before Interest, tax and depreciation (EBITDA) increased by 161% to $924,000 up from $355,000 in the previous financial year. Earnings before Interest and tax (EBIT) increased by 206% to $763,000 up from $249,000 in the previous financial year. The volume growth in EBITDA and EBIT followed the increased level of activity across operations in the year. With the consolidated revenue streams, the benefits were achieved through maintaining our margins and increased sales. The company invested in key roles in the previous financial year so that the efficiencies would show as the sales streams came on. This is also reflected in our NPAT which increased by 178% to $669,000 up from $241,000 in the previous financial year.

Profit Share – Share Sale Deed

The reduction in our profits attributable to members of $398,613 was directly attributable to the acquisition of Peachey's Engineering in late 2008. The agreement required profits upon completion of all work in progress accounted for before takeover by LaserBond were to be shared with the vendor when the jobs were completed. This is a one off event that impacts the net profits attributable to members.

Debt

At the end of the financial year, the company maintains a strong Balance Sheet with minimal debt. The current ratio of the company is 2:1 indicating a very strong financial strength. With our cash flow projections for the next fiscal year, the company is in a very solid position to capitalise on market opportunities as they become available.

Outlook

The company enters the new financial year with markedly different business conditions from the same time last year. Whilst the global economic disturbances have affected many in the resources and engineering sectors, it has not affected LaserBond. Our activity level is up substantially over the similar period last year. We begin the year with a solid workload well into the 2010 calendar. As the economy shows signs of stabilising and improving, the company is well positioned to benefit.

Significant Changes in State of Affairs

During the financial year there was no significant change in the state of affairs of the consolidated entity other than the acquisition of the Peachey's Engineering business or that referred to in the financial statements or notes thereto.

Matters Subsequent to the End of the Financial Year

There has not been any matter or circumstance other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, of the state of affairs of the consolidated entity in subsequent financial years.

Future Developments

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report. .

Environmental Regulation

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

There were no dividends paid to shareholders during the financial year. No further dividends will be payable for this financial year. No recommendation for payment of dividends has been made.

Options

	Date Granted	Expiry Date	Exercise Price	Number of Options
Issue of performance options to directors pursuant to the Prospectus	17 Dec 07	30 Aug 12	$0.25	6,000,000
Issue of employee options to directors pursuant to the Prospectus	17 Dec 07	30 Aug 10	$0.20	1,000,000
				7,000,000

Note that 5,000,000 options for the issue of 1 free attaching option for every 3 shares issued pursuant to the Prospectus expired on 30 August 2009 with an exercise price of $0.25.

Corporate Governance

The directors of the company support and adhere to the principles of corporate governance, recognizing the need for the highest standard of corporate behaviour and accountability. A review of the company's corporate governance practices was undertaken during the year. As a result new practices were adopted and existing practices optimized to reflect industry best practice. Please refer to the Corporate Governance Statement in this report.

Directors' and Auditors' Information

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings.

The company was not party to any such proceedings during the year.

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 13.

Non-Audit Services

Due diligence services were provided during the financial year ended 30 June 09 for the acquisition of the Peachey's Engineering business. The directors are satisfied that the provision of non-audit services did not compromise the external auditor's independence.

Signed in accordance with a resolution of the Board of Directors.

T McCauley

Director
Timothy McCauley

Director
Wayne Hooper

Dated this 28th day of September 2009

Corporate Governance Statement

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30th June 2009.

Principle 1: Lay Solid Foundations for Management & Oversight.

1.1 – Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.

The Company's Board is responsible for corporate governance of the Company. The Board develops strategies for the Company's business, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

a) Maintain and increase Shareholder value;
b) Ensure a prudential and ethical basis for the Company's conduct and activities; and
c) To ensure compliance with the Company's legal and statutory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

a) Developing initiatives for profit and asset growth;
b) Reviewing the corporate, commercial and financial performance for the Company on a regular basis;
c) Acting on behalf of, and being accountable to, the Shareholders; and
d) Identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The company in general meetings is responsible for the appointment of the external auditors of the company, and the board from time to time will review the scope, performance and fees of those external auditors

Roles and responsibilities of Senior Executives are agreed to by the Board and are based on Strategic plans, Financial Budgets, and the available skills and experience Senior Executives.

1.2 – Companies should disclose the process for evaluating the performance of senior executives

The Board expects all senior executives to meet all targets as required by strategic plans, financial budgets, key performance indicators and formal job descriptions. Performance is evaluated at annually at Performance Reviews.

Principle 2: Structure the Board to Add Value

The skills, experience and expertise relevant to the position of each Director who is in the office at the date of this annual report and their term of office are detailed in the Director's report.

The Directors monitor the business affairs of the company on behalf of Shareholders and focus their attention on accountability, risk management and ethical conduct.

Election of Board members is substantially the province of the Shareholders in general meeting. However, subject thereto, the company is committed to the following principles:

a) The board is to comprise Directors with a blend of skills, experience and attributes appropriate for the company and its business; and

b) The principal criterion for the appointment of new Directors is their ability to add value to the company and its business.

In accordance with its Corporate Governance policies, the board meets at least bi-monthly. It met on eight (8) occasions during financial year ended 30 June 2009.

2.1 – A majority of the board should be independent Directors.

The Board comprises a minority of independent Directors (which is not in accordance with the best practice recommendations). The Board is of the view that the overall number of Directors is appropriate for the size and complexity of the business. Importantly, the composition provides two representatives on the Board who have specialised experience and knowledge of the business.

2.2 – The Chair should be an independent Director

The chairperson, Mr. Tim McCauley, is not an independent Director. This role will continue to be assumed by Mr. McCauley until such time as a suitable independent Chairman is identified and appointed.

2.3 – The roles of Chairperson and Chief Executive Officer should not be exercised by the same individual

The chairperson, Mr. Tim McCauley, holds the position of Chief Executive Officer. This role will continue to be assumed by Mr. McCauley until such time as a suitable independent Chairman is identified and appointed.

2.4 – The Board should establish a Nomination Committee

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the board membership. An informal assessment process, facilitated by the Chairman in consultation with the company's professional advisors, has been committed to by the board.

2.5 – Companies should disclose the process for evaluating the performance of the board, its committees and individual Directors.

An annual performance evaluation of the board and all board members is undertaken on the anniversary of the first listing of the company. The next evaluation will occur December 2009.

Principle 3: Promote Ethical and Responsible Decision-Making

3.1 – Companies should establish a code of conduct and disclose the code or a summary of the code as to:

a) the practices necessary to maintain confidence in the company's integrity

b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and

c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices

It is the Board's responsibility to ensure an effective internal control framework exists. This includes internal controls to deal with the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

The Board assumes the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the consolidated entity.

The Board seeks independent professional advice prior to making any business decisions that may affect the performance of the company or its securities. Also, subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the company's expense, may obtain independent professional advice on issues arising in the course of their duties.

3.2 – Companies should establish a policy concerning trading in company securities by Directors, senior executives and employees, and disclose the policy or a summary of that policy

The company's policy regarding Directors and employees trading in securities is set by the board. The policy restricts Directors and employees from acting on material information until it has been released to the market and adequate time has been allowed for this to be reflected in the Company's security prices

Principle 4: Safeguard Integrity in Financial Reporting

4.1 – The board should establish an audit committee

The role of the Audit Committee has been assumed by the full Board. Whilst not in accordance with the best practice recommendation, the Company is of the view that such an approach is appropriate given the size of the existing board. Further, the Board does not consider that the Company is of sufficient size to justify the appointment of additional Directors, and to do so for the sole purpose of satisfying this requirement would be cost prohibitive.

4.2 – The audit committee should be structured so that it:
a) consists of only non-executive Directors;
b) consists of a majority of independent Directors;
c) is chaired by an independent chair, who is not chair of the board; and
d) has at lease three members

The role of the Audit Committee has been assumed by the full Board, with reasoning for this detailed under Section 4.1 above.

4.3 – The audit committee should have a formal charter

No formal charter currently exists.

Principle 5: Make Timely and Balance Disclosure

5.1 – Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.

Both the Chief Executive Officer and Chief Financial Officer are responsible in ensuring that all disclosure requirements and full compliance is met.

Principle 6: Respect the Rights of Shareholders

6.1 – Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy

The Board aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs by issuing announcements to ASX, thereby complying with its continuous disclosure obligations.

The Board recommends and requests the participation of all shareholders at general meetings by formal, written notice of meetings.

Principle 7: Recognise and Manage Risk

7.1 – Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies

The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Board's collective experience will enable accurate identification of the principal risks that may affect the company's business. Key operational risks and their management are recurring items for consideration at Board meetings

7.2 – The Board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.

The Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) are directly responsible for managing the company's material risk and implementing internal controls. Both parties are required to report at Board level on risks, results and recommendations.

7.3 – The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

The Board will consider whether it is appropriate to require the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) to provide such a statement at the relevant time.

Principle 8: Remunerate Fairly and Responsibly

The Board is responsible for determining the remuneration of Directors and Senior Management. When establishing and reviewing the remuneration of Directors and Senior Management the Company will apply the broad principles of a fair and equitable standard of remuneration commensurate with the qualifications and experience each member brings to the Company. Directors that have a direct or vested interest in the establishment and review of remuneration will not be included in the process.

8.1 – The board should establish a remuneration committee.

The Company has not established a remuneration committee due to its size and structure.

8.2 – Companies should clearly distinguish the structure of non-executive Director's remuneration from that of executive Directors and senior executives.

Non-executive Directors will not receive performance based bonuses and will not participate in equity schemes of the Company, nor will they be entitled to retirement allowances.

The Company's constitution provides that the remuneration of non-executive Directors will be no more than the aggregate fixed sum determined by a general meeting.

The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of $150,000 per annum.

Remuneration of Senior Executives is determined by the Board, based on the person's skills and experience, and current market rates for the roles and responsibilities.

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AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF LASERBOND LIMITED

I declare that to the best of my knowledge and belief, during the year ended 30 June 2009, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

Robert Nielson Partners

Robert Nielson

Date 28 September 2009

ANNUAL REPORT

LaserBond Limited

Income Statement
for the Year Ended 30th June 2009

	Note	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
Revenue	2	9,086,764	5,435,901	3,591,258	3,591,258
Cost of Sales		(4,636,074)	(2,592,728)	(1,547,326)	(1,547,326)
Gross Profit		4,450,690	2,843,173	2,043,932	2,043,932
Other Income	3	122,971	115,144	500,018	500,018
Advertising & Promotional Expenses		(78,374)	(62,299)	(72,089)	(72,089)
Depreciation & Amortisation		(161,291)	(104,618)	(105,516)	(105,516)
Employment Expenses		(1,669,807)	(1,152,901)	(821,628)	(821,628)
Property Rental & Rates Expenses		(364,456)	(117,623)	(115,773)	(115,773)
Administration Expenses		(787,041)	(597,253)	(585,626)	(585,626)
R&D Expenditure		(17,108)	(17,108)	(272,292)	(272,292)
Repairs & Maintenance Expenses		(148,194)	(108,575)	(42,253)	(42,253)
Finance Lease Expenses		(428,869)	(195,489)	(171,962)	(171,962)
Borrowing Costs		(12,094)	(3,193)	(4,767)	(4,767)
Other Expenses		(155,817)	(143,434)	(107,736)	(107,736)
Profit before income tax expense	4	750,610	455,824	244,308	244,308
Income tax expense	5	(81,107)	(139,669)	(3,148)	(3,148)
Profit after tax from continuing operations		669,503	316,155	241,160	241,160
Share of profits pursuant to Share Sale Deed – Peachey's Engineering Group	6	(398,613)			
Net profit attributable to members of LaserBond Limited		270,890	316,155	241,160	241,160
Earnings per share (cents)	7	0.0041		0.0042	
Diluted earnings per share (cents)	7	0.0041		0.0042	

These Audited Financial Statements should be read in conjunction with the accompanying notes.

ANNUAL REPORT

LaserBond Limited

Balance Sheet
As at 30th June 2009

	Note	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
CURRENT ASSETS					
Cash and cash equivalents	8	382,524	244,777	3,497,102	3,497,102
Trade and Other Receivables	9	2,106,336	1,956,627	737,261	737,261
Inventories	10	938,573	349,992	180,506	180,506
Total Current Assets		**3,427,433**	**2,551,396**	**4,414,869**	**4,414,869**
NON-CURRENT ASSETS					
Property, plant and equipment	11	665,598	253,035	314,088	314,088
Deferred tax assets	14	319,769	217,657	249,765	249,765
Investment in Subsidiary	13		3,192,537		
Intangible assets	12, 13	3,228,002	18,979	27,698	27,698
Total Non-Current Assets		**4,213,369**	**3,682,208**	**591,551**	**591,551**
TOTAL ASSETS		**7,640,802**	**6,233,604**	**5,006,420**	**5,006,420**
CURRENT LIABILITIES					
Trade and Other Payables	15	939,582	576,582	131,575	131,575
Provisions	17	413,980	161,599	151,769	151,769
Interest-bearing liabilities	16	59,898	18,390	18,390	18,390
Current tax liabilities	18	428,174	91,912	30,125	30,125
Total Current Liabilities		**1,841,634**	**848,483**	**331,859**	**331,859**
NON-CURRENT LIABILITIES					
Interest-bearing liabilities	16	180,869	11,669	36,611	36,611
Provisions	17	187,752	116,122	91,794	91,794
Total Non-Current Liabilities		**368,621**	**127,791**	**128,405**	**128,405**
TOTAL LIABILITIES		**2,210,255**	**976,274**	**460,264**	**460,264**
NET ASSETS		**5,430,547**	**5,257,330**	**4,546,156**	**4,546,156**
EQUITY					
Issued Capital	19	2,861,164	2,861,164	2,466,144	2,466,144
Retained earnings		2,569,383	2,396,166	2,080,012	2,080,012
TOTAL EQUITY		**5,430,547**	**5,257,330**	**4,546,156**	**4,546,156**

These Audited Financial Statements should be read in conjunction with the accompanying notes.

ANNUAL REPORT

LaserBond Limited

Statement of Cash Flows
for the Year Ended 30th June 2009

	Note	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers		7,853,374	5,302,766	3,971,635	3,971,635
Payments to suppliers and employees		(7,749,177)	(4,638,211)	(3,785,219)	(3,785,219)
Interest paid		(12,094)	(3,193)	(4,767)	(4,767)
Interest received		115,090	115,144	150,816	150,816
Income taxes paid		(139,171)	(107,561)	(212,626)	(212,626)
Net cash inflow from operating activities		68,022	668,945	119,839	119,839
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments for plant and equipment		(411,876)	73,847	(4,754)	(4,754)
Purchase of Business	28	(3,192,537)	(3,192,537)	64,865	64,865
Net cash inflow/(outflow) from investing activities		(3,604,413)	(3,118,690)	60,111	60,111
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		302,020	302,020	2,466,132	2,466,132
Payments to lessors		107,689	(15,887)	(46,787)	(46,787)
Loans to employees		12,104	12,104	(18,600)	(18,600)
Loans to Subsidiaries	9		(1,100,817)		
Dividends paid		-	-	(140,568)	(140,568)
Net cash inflow/(outflow) from financing activities		421,813	(802,580)	2,260,177	2,260,177
NET INCREASE/(DECREASE) IN CASH HELD		(3,114,578)	(3,252,325)	2,440,127	2,440,127
Net cash at beginning of period		3,497,102	3,497,102	1,056,975	1,056,975
NET CASH AT END OF PERIOD	8	382,524	244,777	3,497,102	3,497,102

These Audited Financial Statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
for the Year Ended 30th June 2009

	Issued capital $	Retained earnings $	Total equity $
Closing Balance at 30th June 2006	**1,200**	**1,601,950**	**1,603,150**
Profit for the period	-	523,895	523,895
Dividends paid	-	(146,425)	(146,425)
Reverse formation costs	(1,188)	-	(1,188)
Closing Balance at 30th June 2007	**12**	**1,979,420**	**1,979,432**
Profit for the period	-	241,160	241,160
Dividends paid	-	(140,568)	(140,568)
Issue of share capital	3,000,000	-	3,000,000
Capitalisation of costs incurred for IPO (net of deferred tax)	(533,868)	-	(533,868)
Closing Balance at 30th June 2008	**2,466,144**	**2,080,012**	**4,546,156**
Profit for the Period		270,890	669,503
Issue of Share Capital	437,167		
Deferred Tax Adjustment – Capitalisation of costs incurred for IPO	(42,147)		
Asset Revaluation Reserve –transfer from Peachey's Engineering Pty Ltd		218,481	218,481
Closing Balance at 30th June 2009	**2,861,164**	**2,569,383**	**5,430,547**

These Audited Financial Statements should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report of LaserBond Limited for the year ended 30 June 2009 was authorised for issue in accordance with a resolution of the directors on 28th September 2009 as required by the Corporations Act 2001.

This financial report includes the consolidated financial statements and notes of LaserBond Limited and controlled entities.

LaserBond Limited is a company limited by shares, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

The financial report has also been prepared on an accruals basis and is based on historical cost.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Comparative Information

Where necessary, comparative amounts have been reclassified and repositioned for consistency with current year accounting policy and disclosures. Further details on the nature and reason for the amounts that have been reclassified and repositioned for consistency with current year accounting policy and disclosures, where considered material, are referred to separately in the financial statements or notes thereto.

b) Principles of Consolidation

The financial report is prepared by combining the financial statements of all the entities that comprise the consolidated entity, being LaserBond Limited (the parent entity) and it's subsidiaries as defined in Accounting Standard AASB 127 – Consolidated and Separate Financial Statements. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at fair value at the date of acquisition. Any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

The Financial Report includes the information and results of each subsidiary from the date on which the company obtains control and until such time as the company ceases to control such entity.

In preparing the Financial Report, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

c) Foreign Currency Translation

The functional and presentation currency of the Company is Australian dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses resulting from settling foreign currency transactions, as well as from restating foreign currency denominated monetary assets and liabilities, are recognised in the income statement, except for differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

d) Revenue Recognition

Revenue is recognised in the following manner:

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sale of Goods and Services

Revenue from the sale of goods and services is recognised upon completion of each individual job when the customer picks up their finished product.

Interest

Revenue from interest is recognised on the date the interest is received.

Other Income

Revenue from other income streams are recognised either at the date of receipt of the income, or the date of the invoice (or agreement) for the income, as appropriate.

e) Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect either accounting or taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit.

Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

Current and deferred tax balances relating to amounts recognised directly in equity are also recognised directly in equity.

f) Inventories

Raw materials and work in progress are stated at the lower of cost and net realisable value. Cost of work in progress comprises direct materials, direct labour and any external sub-contract costs. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

g) Property, Plant and Equipment

Depreciation on property, plant and equipment is calculated on a reducing balance basis using the following rates:

- Plant and equipment 4.5% - 50%

- Motor Vehicles 18.75% - 25%

- Research & Development Equipment 20% - 50%

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

If an asset's value is adjusted to meet any deemed recoverable amount, the difference is accounted for in the Asset Revaluation Reserve account on the Balance Sheet. All other gains and losses are included in the Income Statement.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely

independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

i) Leases

Leases of plant and equipment where the Company as lessee, has substantially all the risks and rewards of ownership are classified as hire purchase liabilities. Hire purchase assets are capitalised at their inception at the fair value of the leased equipment or, if lower, the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The equipment acquired under hire purchase agreements is depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

j) Financial Instruments

Classification

The Company classifies its investments in the following categories: financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition

(i) *Financial assets at fair value through profit and loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet

Recognition and De-Recognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Subsequent Measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise.

Impairment

The Company assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Intangibles

Patents and trademarks

Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life. The amortisation rate used is 7.5% per annum. The amortisation expense is included within administration expenses.

l) Cash and Cash Equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

m) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the year end and which are unpaid. These amounts are unsecured and are usually paid within 30 to 60 days of recognition.

n) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are recognised as expenses as they are incurred.

o) Issued Capital

Ordinary shares are classified as equity. Mandatorily redeemable preference shares (if any) are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

p) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

q) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Long Service Leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

r) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at balance date.

s) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

t) Critical Accounting Estimates and Judgements

Estimates and judgements are continually estimated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The entity makes estimates, assumptions and judgements concerning the future. The Directors are of the belief that these do not have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. No critical estimates have been made in the preparation of the financial statements.

	2009		2008	
	Consolidated Entity	**Parent Entity**	**Consolidated Entity**	**Parent Entity**
NOTE 2: REVENUE				
From continuing operations				
Sales Revenue				
Sales of Goods	9,086,764	5,435,901	3,591,258	3,591,258
NOTE 3: OTHER INCOME				
Interest Revenue	115,090	115,114	150,816	150,816
Government Grant	-	-	113,703	113,703
Research & Development – Reimbursed Expenses	-	-	231,263	231,263
Other	7,881	-	4,236	4,236
	122,971	115,114	500,018	500,018
NOTE 4: EXPENSES				
Profit before Income Tax includes the following specific expenses				
Borrowing Costs:				
Interest Paid	12,094	3,193	4,767	4,767

	2,009		2008	
	Consolidated Entity	**Parent Entity**	**Consolidated Entity**	**Parent Entity**
Depreciation & Amortisation				
- Plant & Equipment	84,294	63,894	38,942	38,942
- Office Equipment	23,422	16,686	3,490	3,490
- R&D Equipment		3,299	(4,872)	(4,872)
- Motor Vehicles	12,680	12,021	43,133	43,133
- Leasehold Improvements	20,263		-	-
- Intangible Assets	20,632	8,718	24,823	24,823
	161,291	104,618	105,516	105,516
Net Loss on Disposal of Assets				
- Motor Vehicles	-	-	26,464	26,464
Rental Expenses relating to Operating Leases				
- Minimum Lease Payments	428,869	195,489	171,962	171,962
Auditors Remuneration				
- Audit Services – audit and review of Financial Reports	39,310	20,900	58,156	58,156
- Non-Audit Services – Due Diligence and Non-Audit advice	25,096	25,096	10,072	10,072
	64,406	45,996	68,228	68,228

NOTE 5: INCOME TAX

Reconciliation of Income Tax Expense

Prima Facie Tax at the Australian tax rate of 30% (2007: 30%)	225,183	136,767	73,292	73,292
Less 20% Write Off of Deferred Tax Asset from Capitalised IPO Costs *(See Note 5a)*	(42,147)	(42,147)	(42,147)	(42,147)
Less Deferred Tax Asset adjustments for Employee Entitlements and Expense Provisions	(92,073)	10,039		
Less Adjustment to Prior Year Income Tax Provisions	(9,856)	35,010	(27,997)	(27,997)
Total Income Tax Expense:	81,107	139,669	3,148	3,148

Note 5a: At the time of completion of the Initial Public Offer all costs of the IPO were capitalised over a five (5) year period. This tax adjustment is the second of the five (5) tax adjustments.

NOTE 6: SHARE SALE DEED – PEACHEY'S ENGINEERING PTY LTD

As part of the Share Sale Deed for the purchase of Peachey's Engineering Pty Ltd, profits upon completion of all work in progress accounted for before takeover by LaserBond Ltd were to be shared with the Vendor. This is considered by the Director's as a distribution of profits therefore is accounted for after Profit after Income Tax.

NOTE 7: EARNINGS PER SHARE	**2009**	**2008**
Basic earnings per share	0.0041	0.0042
Diluted earnings per share	0.0041	0.0042

The options are not considered to be dilutive because they would result in the issue of ordinary shares for more than the average market price during the period.

(a) Weighted Average Shares on Issue

	No. of Shares	**Weighted No.**
Opening Balance as at 1st July 2008	65,000,400	65,000,400
Shares Issued as at 25th November 2008	3,333,334	1,342,466
Shares Issued as at 30th June 2009	500,000	-
Closing Balance as at 30th June 2009	68,833,734	66,342,866

	2,009		**2,008**	
NOTE 8: CASH AND CASH EQUIVALENTS	**Consolidated Entity**	**Parent Entity**	**Consolidated Entity**	**Parent Entity**
Cash on Hand	1,107	700	500	500
Cash at Bank	381,417	244,077	3,496,602	3,496,602
	382,524	244,777	3,497,102	3,497,102
NOTE 9: TRADE AND OTHER RECEIVABLES				
Trade Receivables	1,901,967	707,233	574,099	574,099
Loans – Key Management Personnel	67,356	67,356	79,507	79,507
Loans - Subsidiaries		1,100,817		
Other Receivables	137,013	81,221	83,655	83,655
	2,106,336	1,956,627	737,261	737,261
NOTE 10: INVENTORIES				
Stock on Hand – Raw Materials	573,549	294,460	152,236	152,236
Work in Progress	365,024	55,531	28,270	28,270
	938,573	349,991	180,506	180,506
NOTE 11: PROPERTY, PLANT & EQUIPMENT				
Plant & Equipment				
At Cost	1,150,180	696,822	771,122	771,122
Less Accumulated Depreciation	(545,421)	(499,685)	(527,822)	(527,822)
	604,759	197,137	243,300	243,300
Motor Vehicles				
At Cost	125,306	119,726	119,272	119,272
Less Accumulated Depreciation	(69,744)	(69,105)	(57,059)	(57,059)
	55,562	50,621	62,213	62,213
Research & Development Equipment				
At Cost	24,027	24,027	24,027	24,027
Less Accumulated Depreciation	(18,750)	(18,750)	(15,452)	(15,452)
	5,277	5,277	8,575	8,575
TOTAL PLANT & EQUIPMENT	665,598	253,035	314,088	314,088

(a) Movements in Carrying Amounts

	Plant & Equipment	Motor Vehicles	Research & Development Equipment	Total
Consolidated Entity				
2009 Financial Year	**$**	**$**	**$**	**$**
Balance at the beginning of the year	243,300	62,213	8,575	314,088
Additions	274,137	454	-	163,610
Additions from Acquisitions	212,902	5,580	-	218,482
Net Disposals	-	-	-	-
Depreciation Expense	(124,680)	(12,685)	(3,298)	(30,582)
Carrying Amount at the end of the year	604,759	55,562	5,277	665,598

	Plant & Equipment	Motor Vehicles	Research & Development Equipment	Total
2008 Financial Year	**$**	**$**	**$**	**$**
Balance at the beginning of the year	267,200	131,810	23,703	422,713
Additions	38,065	-	-	38,065
Net Disposals	-	(26,464)	-	(26,464)
Net Transfer to Other Intangible Assets	(10,843)	-	(4,842)	(15,685)
Depreciation Expense	(51,122)	(43,133)	(10,286)	(104,541)
Carrying Amount at the end of the year	243,300	62,213	8,575	314,088

Parent Entity

2009 Financial Year	**$**	**$**	**$**	**$**
Balance at the beginning of the year	243,300	62,213	8,575	314,088
Additions	34,416	455	-	18,185
Net Disposals	-	-	-	-
Depreciation Expense	(80,580)	(12,047)	(3,298)	(79,239)
Carrying Amount at the end of the year	197,136	50,621	5,277	253,034
2008 Financial Year	**$**	**$**	**$**	**$**
Balance at the beginning of the year	267,200	131,810	23,703	422,713
Additions	38,065	-	-	38,065
Net Disposals	-	(26,464)	-	(26,464)
Net Transfer to Other Intangible Assets	(10,843)	-	(4,842)	(15,685)
Depreciation Expense	(51,122)	(43,133)	(10,286)	(104,541)
Carrying Amount at the end of the year	243,300	62,213	8,575	314,088

NOTE 12: INTANGIBLES

	Goodwill	Patents and Trademarks	Other Intangible Assets
	$	$	$
Consolidated Entity			
2009 Financial Year			
Balance at the beginning of the year	-	12,012	15,686
Additions	3,192,537	-	50,633
Disposals	-	-	-
Amortisation Expense	-	(901)	(41,965)
Net Book Amount at 30th June 2009	3,192,537	11,111	24,354
2008 Financial Year	$	$	$
Cost at the beginning of the year	-	15,177	-
Additions	-	-	-
Transfer of Assets from Plant & Equipment	-	-	39,534
Transfer of Accumulated Depreciation	-	-	(23,848)
Accumulated Amortisation	-	(3,165)	-
Formation costs written-off	-	-	-
Net Book Amount at 30th June 2008	-	12,012	15,686

Parent Entity	$	$	$
2009 Financial Year			
Balance at the beginning of the year	-	12,012	15,686
Additions		-	-
Disposals	-	-	-
Amortisation Expense	-	(901)	(7,818)
Net Book Amount at 30th June 2009	-	11,111	7,868
2008 Financial Year	$	$	$
Cost at the beginning of the year	-	15,177	-
Additions	-	-	-
Transfer of Assets from Plant & Equipment	-	-	39,534
Transfer of Accumulated Depreciation	-	-	(23,848)
Accumulated Amortisation	-	(3,165)	-
Formation costs written-off	-	-	-
Net Book Amount at 30th June 2008	-	12,012	15,686

NOTE 13: GOODWILL IN CONSIDERATION

For the purchase of Peachey's Engineering Pty Ltd, made up of the following:

Cash Payment	2,500,000
Scrip Payment – 3,333,334 Shares	366,667
Broker Commission	55,000
Due Diligence and Audit / Review Costs	75,035
Miscellaneous Purchase Costs	4,812
08-09 Earn Out Estimate	191,023
	3,192,537

Note 13 a) An Impairment Test shows the present value of Cash Flows is in excess of the Goodwill carrying amount. No impairment is required as at 30 June 09. The principal assumptions for the Impairment test are annual growth rates of 5% and an average discount rate of 6%.

	2009		2008	
NOTE 14: DEFERRED TAX ASSETS	**Consolidated Entity**	**Parent Entity**	**Consolidated Entity**	**Parent Entity**
Deferred tax assets comprise temporary differences attributable to:				
Employee Benefits	180,520	83,316	73,069	73,069
Expense Accruals	12,806	7,898	8,106	8,106
Capitalised IPO Costs	126,443	126,443	168,590	168,590
	319,769	217,657	249,765	249,765
NOTE 15: TRADE AND OTHER PAYABLES				
Trade Payables	671,978	328,823	104,555	104,555
Other Payables	267,604	247,759	27,020	27,020
	939,582	576,582	131,575	131,575
NOTE 16: BORROWINGS				
CURRENT				
Hire Purchase Liabilities	59,898	18,390	18,390	18,390
NON-CURRENT				
Hire Purchase Liabilities	180,869	11,669	36,611	36,611
NOTE 17 : PROVISIONS				
CURRENT				
Employee Benefits	413,980	161,599	151,769	151,769
NON-CURRENT				
Employee Benefits	187,752	116,122	91,794	91,794

NOTE 18: STATUTORY LIABILITIES	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
CURRENT				
Income Tax	172,248	1,271	(55,054)	(55,054)
BAS Statement (GST & PAYG Withheld)	178,271	36,189	61,141	61,141
Payroll Tax	16,348	8,144	7,284	7,284
Fringe Benefits Tax	25,242	10,243	1,273	1,273
Superannuation	36,065	36,065	15,481	15,481
	428,174	91,912	30,125	30,125

NOTE 19: CONTRIBUTED EQUITY

	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
Issued and Paid Up Capital	2,861,164		2,466,144	2,466,144
Reconciliation of Issued and Paid Up Capital				
65,000,400 Existing Shares	2,466,144	2,466,144	12	12
3,833,334 Issued Shares	437,167	437,167	3,000,000	3,000,000
Capitalised IPO Costs	-	-	(702,458)	(702,458)
Deferred Tax Asset from Capitalised IPO Costs	(42,147)	(42,147)	168,590	168,590
	2,861,164	2,861,164	2,466,144	2,466,144

(a) Ordinary Shares

	2009 No.	2008 No.
Reconciliation of Movement in Shares		
Issued Shares at beginning of Year	65,000,400	50,000,400
Shares Issued during Year		15,000,000
- 24th November 2008	3,333,334	
- 30th June 2009	500,000	
Issued Shares at end of year	68,833,334	65,000,400

Ordinary shares entitle the holder to participate in dividends and he proceeds of winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote and upon a poll each share is entitled to one vote.

(b) Capital Management

Management effectively manages the company's capital by assessing the company's financial risks and adjusting its financial structure in response to those risks. These responses include the management of debt levels and distributions to shareholders. The company has no borrowings and no externally imposed capital requirements.

NOTE 20 : CAPITAL AND LEASING COMMITMENTS

(a) Hire Purchase Commitments

	2009 Consolidated Entity	2009 Parent Entity	2008 Consolidated Entity	2008 Parent Entity
Payable:				
Within one (1) year	59,899	18,390	18,391	18,391
Later than one (1) year but not later than five (5) years	237,742	13,123	43,716	43,716
	297,641	31,513	62,107	62,107

	2009		2008	
	Consolidated Entity	**Parent Entity**	**Consolidated Entity**	**Parent Entity**
Minimum Hire Purchase payments:				
Less future finance charges	(56,874)	(1,454)	(16,161)	(16,161)
Total Hire Purchase Liability	240,767	30,059	45,946	45,946

The company's Hire Purchase commitments are in relation to Motor Vehicles essential to the operations of the business. These are under Hire Purchase agreements expiring within 1 to 3 years. Under the Terms of Agreements, the Company has the option to acquire the financed assets by payment of the final instalment. This option lapses in the event of a default to the agreed Terms and Conditions to the agreements.

(b) Operating Lease Commitments

Payable:				
Within one (1) year	199,659	158,151	201,638	201,638
Later than one (1) year but not later than five (5) years	1,259,265	461,780	203,749	203,749
	1,458,924	619,931	405,387	405,387

(c) Property Lease

The company has the following property leases:

	Expiry	
28 York Road Ingleburn NSW 2565		June 2008
10 Blain Drive, Gladstone QLD 4680	Nov 2013	
5 George Mamalis Place, Gladstone QLD 4680	Feb 2014	
Payable:		
Within one (1) year	430,500	-
Later than one (1) year but not later than five (5) years	1,940,125	-

The Ingleburn premises Property Leases as noted expired June 2008 and has not been renewed. The plans are for the building to be expanded allowing approximately twice the production space, thus increasing capacity at Ingleburn. It is expected for this expansion to occur within the next 12 months. This property lease is a related party transaction – refer to Note 22: Related Party Transactions.

NOTE 21: CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities that would have an effect on these financial statements.

NOTE 22: RELATED PARTY TRANSACTIONS

Transactions with related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Property Lease		
Rent Paid	92,796	92,796

Rental of Ingleburn head office premises paid to Hooper Unit Trust, a director related entity. Rent is paid one month in advance.

Loans – Related Parties		
Director Loan	60,500	60,500
Employee Loans	6,496	18,600
Employee Personal Expenses	360	407
	67,356	79,507

NOTE 22: RELATED PARTY TRANSACTIONS (Cont'd)

All Loans to Related Parties are classified current, unsecured and interest free.

The Director Loan is receivable from Mr Greg Hooper, a director of the company.

The Employee Loans are receivable from nine (9) employees. Eight of these loans were provided to employees at the time of the IPO to purchase $2,000 worth of shares each. One loan was a personal loan to the value of $1,500.

The Employee Personal Expenses are receivable from employee's who have used, at the approval of director's, a company's supplier expense account for purchases of a personal use. These loans are repaid as an after tax deduction from the employees salary or wage.

NOTE 23: KEY MANAGEMENT PERSONNEL

Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the company.

(a) Key Management Personnel

The key management personnel of the company for management of its affairs are Wayne Hooper, Greg Hooper and Timothy McCauley, all current Executive Directors.

(b) Remuneration

Remuneration received or due and receivable by key management personnel of the company for management of its affairs is as follows:

	Salaries and fees	Superannuation	Consulting Fees
2009 Financial Year			
Wayne Hooper	96,508	40,617	-
Greg Hooper	181,938	16,200	-
Timothy McCauley	126,077	13,125	-
	404,523	69,942	-
2008 Financial Year			
Wayne Hooper	87,717	13,763	-
Greg Hooper	159,080	18,244	-
Timothy McCauley	47,051	4,610	74,950
	293,848	36,617	74,950

(c) Options Held

The following performance options were issued to directors pursuant to the prospectus

	Opening Balance As at 30th June 2008	**Exercised**	**Closing Balance** As at 30th June 2009	**Balance Exercisable**
Wayne Hooper	2,000,000	-	2,000,000	-
Greg Hooper	2,000,000	-	2,000,000	-
Timothy McCauley	3,000,000	-	3,000,000	-
	7,000,000	-	7,000,000	-

(d) Shares Held

	Shares Held as at 30th June 2008	**Issued**	**Shares Held as at 30th June 2009**
Wayne Hooper	7,728,395	-	7,728,395
Greg Hooper	8,000,064	-	8,000,064
Timothy McCauley	250,000	500,000	750,000
	15,978,459	500,000	16,478,459

NOTE 24: DIVIDENDS	**2009**	**2008**
Interim dividends paid – fully franked on tax paid at 30%	**$**	**$**
	-	140,569

Franked Dividends

The franked portions of any final dividends recommended and paid after 30th June 2009 will be franked out of existing franking credits or out of franking credits arising from the payment of income tax in the year ending 30th June 2009.

Franking credits available for subsequent financial years based on a tax rate of 30% (2008 – 30%)	956,406	819,659

NOTE 25: CASH FLOW INFORMATION	**2009** Consolidated Entity	**2009** Parent Entity	**2008** Consolidated Entity	**2008** Parent Entity
Reconciliation of profit after income tax to net cash flows from operating activities				
Profit after Income Tax for the year	669,503	316,155	241,160	241,160
Non-cash flows in operating surplus				
Depreciation & Amortisation	52,598	(4,074)	33,803	33,803
Changes in assets and liabilities				
(Increase) / Decrease in trade debtors	(1,327,869)	(133,134)	31,176	31,176
(Increase) / Decrease in other debtors	(53,310)	2,480	168,728	168,728
(Increase) / Decrease in inventories	(758,066)	(169,485)	59,617	59,617
(Increase) / Decrease in deferred tax assets	(70,004)	32,108	(195,344)	(195,344)
Increase / (Decrease) in trade creditors and accruals	1,061,162	538,780	(24,056)	(24,056)
Increase / (Decrease) in statutory liabilities	398,049	61,787	(212,922)	(212,922)
Increase / (Decrease) in provisions	95,958	24,328	31,811	31,811
Increase / (Decrease) in deferred tax liabilities	-	-	(14,134)	(14,134)
Net cash provided by operating activities	68,022	668,945	119,839	119,839

NOTE 26: FINANCIAL INSTRUMENTS

Activities undertaken by the company may expose the company to price risk, credit risk, liquidity risk and cash flow interest rate risk. The company's risk management policies and objectives are therefore reviewed to minimise the potential impacts of these risks on the results of the company.

a) Interest rate risk

	Weighted Average Effective Interest Rate	**Floating Interest Rate**	**Fixed Interest Rate** Within 1 Year	**Fixed Interest Rate** 1 to 5 Years	**Non-Interest Bearing**	**Total**
	%	**$**	**$**	**$**	**$**	**$**
30th June 2008						
Financial Assets:						
Cash on Hand		-	-	-	1,107	1107
Cash at Bank	4.0	381,417	-	-	-	381,417
Trade and other receivables		-	-	-	2,106,336	2,106,336
Total financial assets		381,417	-	-	2,107,443	2,488,860

Financial Liabilities						
Trade and other payables		-	-	-	1,162,539	1,162,539
Borrowings	7.0	-	59,898	180,869	-	240,767
Total financial liabilities		-	59,898	180,869	1,162,539	1,403,306

	Weighted Average Effective Interest Rate	Floating Interest Rate	Fixed Interest Rate		Non-Interest Bearing	Total
			Within 1 Year	1 to 5 Years		
	%	$	$	$	$	$
30th June 2008						
Financial Assets:						
Cash on Hand		-	-	-	400	400
Cash at Bank	5.5	3,496,701	-	-	-	3,496,702
Trade and other receivables		-	-	-	737,261	737,261
Total financial assets		3,496,602	-	-	737,661	4,234,263
Financial Liabilities						
Trade and other payables		-	-	-	292,400	292,400
Borrowings	7.0	-	18,391	27,555	-	45,946
Total financial liabilities	-	-	18,391	27,555	292,400	338,346

b) Credit Risk Exposure

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognize financial assets is the carrying amount, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

c) Liquidity Risk

Liquidity risk is the risk that the company may encounter difficulties raising funds to meet commitments. The company manages this risk by monetary forecast cash flows.

d) Net fair value of financial assets and liabilities

The carrying amount of cash, cash equivalents and non-interest bearing monetary financial assets and liabilities (e.g. accounts receivable and payable) are at approximate net fair value.

e) Price Risk

The company is not exposed to any material price risk.

f) Sensitivity Analysis

The company has performed a sensitivity analysis relating to its exposure to interest rate risk and foreign currency risk. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

The company as 30th June 2009 held a quantity of cash on hand in an Interest Bearing bank account. At 30th June 2009, the effect on profit and equity as a result of changes in the interest rate on Cash on Hand, with all other variables remaining constant would be as follows:

	2009 $	2008 $
Change in profit		
- Increase in interest rate by 2%	$7,628	$54,842
- Decrease in interest rate by 2%	($7,628)	($54,842)
Change in equity		
- Increase in interest rate by 2%	$7,628	$54,842
- Decrease in interest rate by 2%	($7,628)	($54,842)

Foreign Currency Risk Sensitivity Analysis

The company purchases certain raw material from overseas due to non-availability in Australia or savings due to bulk buying power overseas. At 30th June 2009, the effect on profit and equity as a result of changes in the Australian Dollar to other International currencies, with all other variables remaining constant would be as follows:

	2009 $	2008 $
Change in profit		
- Improvement in AUD to International currencies by 5%	($23,993)	($9,937)
- Decline in AUD to International currencies by 5%	$23,993	$9,937
Change in equity		
- Improvement in AUD to International currencies by 5%	($23,993)	($9,937)
- Decline in AUD to International currencies by 5%	$23,993	$9,937

NOTE 27: SHARE-BASED PAYMENTS

Included under Other Expenses in the Income Statement is $93,000 and this relates to share-based payment transactions. The transactions were in relation to:

a) 750,000 shares to Mr Timothy McCauley as per the prospectus and his employment agreement, and approved for issue by shareholders at the General Meeting held on 25th June 2009.
b) 225,000 shares to Mr Michael Brietsameter as per his employment agreement., and approved for issue by shareholders at the General Meeting held on 25th June 2009.

These shares were valued at the market price on the date of issuance of the shares.

NOTE 28: CONTROLLED ENTITIES

a) Subsidiaries of LaserBond Limited

	Country of Incorporation	Percentage Owned 2009	2008
Peachey's Engineering Pty Ltd	Aust	100	-
Canedice Investments Pty Ltd	Aust	100	-
LaserBond (Qld) Pty Ltd	Aust	100	-

b) Businesses Acquired

Names of Businesses Acquired	Principal Activity	Date of Acquisition	Proportion Acquired %	Cost of Acquisition
Peachey's Engineering Pty Ltd / Candice Investments Pty Ltd (Peachey's Group)	Engineering Services	24th November 2008	100	3,126,667

c) Purchase Consideration

Cash Consideration	2,760,000
Scrip Consideration	366,667
	3,126,667

d) Assets & Liabilities Acquired

CURRENT ASSETS	
Cash and cash equivalents	175,266
Trade and Other Receivables	915,711
Inventories	553,397
Total Current Assets	**1,644,374**
NON-CURRENT ASSETS	
Property, plant and equipment	218,482
Total Non-Current Assets	**218,482**
TOTAL ASSETS	**1,862,856**
CURRENT LIABILITIES	
Trade and Other Payables	494,649
Provisions	267,193
Interest-bearing liabilities	1,889
Current tax liabilities	558,748
Total Current Liabilities	**1,322,479**
NON-CURRENT LIABILITIES	
Provisions	64,895
Total Non-Current Liabilities	**64,895**
TOTAL LIABILITIES	**1,384,374**
NET ASSETS	**478,482**

NOTE 29: MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There are no matters to report subsequent to the end of the financial year

NOTE 30: SEGMENT REPORTING

The company operates entirely within Australia.

	LaserBond Limited (Sydney, NSW)			**Peachey's Engineering Pty Ltd (Gladstone, Qld)**			**Consolidated**	
	2009	**2008**		**2009**	**2008**		**2009**	**2008**
Revenue	5,435,901	3,591,258		3,650,863	-		9,086,764	3,591,258
Profit Before Income Tax	455,824	244,308		294,786	-		750,610	244,308
Profit after Income Tax	316,155	241,160		383,348	-		669,503	241,160
Assets	6,233,604	5,006,420		2,690,291	-		7,640,802	5,006,420
Liabilities	976.274	460,264		2,517,074	-		2,210,255	460,264

NOTE 31: COMPANY DETAILS

Registered Office and Principal Place of Business:

LaserBond Ltd	28 York Road INGLEBURN NSW 2565 Phone: 02 9829 3815 Fax: 02 9829 2417 www.laserbond.com.au

Subsidiaries:

Peachey's Engineering Pty Ltd

- Machine Shop	10 Blain Drive GLADSTONE QLD 4680
- Fabrication Shop	5 George Mamalis Place GLADSTONE QLD 4680

Share Registry:

Registries Limited	Level 7, 207 Kent Street SYDNEY NSW 2000 Phone: 1300 737 760 www.registries.com.au

DECLARATION BY DIRECTORS

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 14 to 33 are in accordance with the Corporations Act 2001:

   a. Comply with Accounting Standards and the Corporations Regulations 2001; and

   b. Give a true and fair view of the financial position as at 30th June 2009 and of the performance for the financial year ended on that date of the company.

2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. The Chief Executive Officer and Chief Financial Officer have each declared that

   a. The financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Law.
   b. The financial statements and the notes for the financial year comply with Accounting Standards; and
   c. The financial statements and the notes to the financial statements give a true and fair view.

This declaration is made in accordance with a resolution of the Board of Directors.

T McCauley

Director
Timothy McCauley

Director
Wayne Hooper

Dated this 28th September 2009

robertnielsonpartners
ABN 24 216 690 404
chartered accountant
business advisors

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INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF LASERBOND LIMITED

Scope

Report on the Financial Report

We have audited the accompanying financial report comprising the income statement, the balance sheet, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements and the directors' declaration for Laserbond Limited (the company) and Laserbond Limited and its Controlled Entities (the consolidated entity) for the year ended 30 June 2009. The consolidated entity comprises both the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud and error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances In Note 1 the directors also state, in accordance with Accounting Standard AASB 101; .Presentation of Financial Statements that the financial statements comply with International Financial Reporting Standards in their entirety

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Audit Opinion

In our opinion,

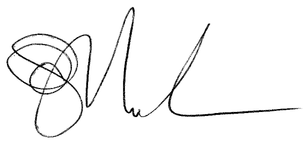
(a) the financial report of Laserbond Limited and its controlled entities is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the company's and the consolidated entity's financial position as at 30 June 2009 and of its their performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting interpretations) and with the Corporations Regulations 2001; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Robert Nielson Partners



Robert Nielson **Date 28 September 2009**

LaserBond Limited
ABN 24 057 636 692

Shareholder Information

1. Substantial Shareholders at 14th September 2009

Holder Laserbond Limited	Number of Ordinary Fully Paid Shares Held	%
MR GREGORY JOHN HOOPER	8,000,064	11.580
MS DIANE CONSTANCE HOOPER	7,728,395	11.187
MR WAYNE EDWARD HOOPER	7,728,395	11.187
MS LILLIAN HOOPER	7,712,395	11.164
MR REX JOHN HOOPER	7,708,395	11.158

2. Distribution of Shareholders as at 14th September 2009

Holdings Ranges	Holders	Total Units	%
1-1,000	4	31	0.000
1,001-5,000	63	259,281	0.375
5,001-10,000	153	1,435,215	2.078
10,001-100,000	364	13,132,164	19.009
100,001-9,999,999,999	52	54,257,043	78.538
Totals	**636**	**69,083,734**	**100.000**
Holdings less than a marketable parcel	44	153,811	0.223

3. Twenty Largest Shareholders as at 14th September 2009

Holder Laserbond Limited	Number of Ordinary Fully Paid Shares Held	%
MR GREGORY JOHN HOOPER	8,000,064	11.580
MS DIANE CONSTANCE HOOPER	7,728,395	11.187
MR WAYNE EDWARD HOOPER	7,728,395	11.187
MS LILLIAN HOOPER	7,712,395	11.164
MR REX JOHN HOOPER	7,708,395	11.158
MS LORETTA MARY PEACHEY	1,666,667	2.413
MR WAYNE KELVIN PEACHEY	1,666,667	2.413
LASERBOND MARKETING PTY LTD	1,197,906	1.734
ALLIANCE BUSINESS GROUP PTY LIMITED <MCCAULEY SUPER FUND A/C>	1,000,000	1.448
MR ANTONY PHILIP PLUNKETT	898,504	1.301
WANTUNE PTY LTD <TRUMBULL SUPER FUND A/C>	600,000	0.869
GOODWISE INVESTMENTS PTY LTD	490,000	0.709
CARMANT PTY LTD <CARMANT SUPER FUND A/C>	439,970	0.637
ADELAIDE EQUITY PARTNERS LIMITED	434,000	0.628
CHESSER INVESTMENTS PTY LTD	415,000	0.601
MR NICHOLAS EATON CROCKER BARHAM	360,000	0.521
MR OSCAR JOSEPH HORKY	331,000	0.479
MAX REDFERN NOMINEES PTY LTD <THE REDFERN SUPER FUND A/C>	305,000	0.441
MR ANDY CHONG CHI FEI	300,000	0.434
MS ANNE-CARITA KONTKANEN	285,000	0.413
Totals for Top 20	49,267,358	71.315
Security Totals	**69,083,734**	