LATROBE MAGNESIUM LIMITED
AND ITS CONTROLLED ENTITIES

(Formerly RAMBORA TECHNOLOGIES LIMITED)
ABN 52 009 173 611

ANNUAL REPORT

2002

LATROBE MAGNESIUM LIMITED
AND ITS CONTROLLED ENTITIES
(FORMERLY RAMBORA TECHNOLOGIES LIMITED)
ABN 52 009 173 611

COMPANY DIRECTORY

Directors
Robert John Bowden, Chairman
Christopher William Sylvester, CEO
Rodney David Foster
David Oliver Paterson
Kevin Anthony Torpey

Registered Office
C/- Court & Co
Level 29, Tower Building
Australia Square
264 George Street
Sydney NSW 2000
Telephone: (02) 9251 4600
Facsimile: (02) 9251 7138

Auditors
Grant Thornton
Level 17
383 Kent Street
Sydney NSW 6000

Share Registry
Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney NSW 2000

Secretary
David Laurence Hughes

Bankers
National Australia Bank Limited
255 George Street
Sydney NSW 2000

Solicitors
Minter Ellison
Level 19
88 Philip Street
Sydney NSW 2000

Home Stock Exchange
Australian Stock Exchange
2 The Esplanade
Perth WA 6000

ASX CODE: LMG

LATROBE MAGNESIUM LIMITED
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REVIEW OF OPERATIONS
FOR THE YEAR TO JUNE 2002

HIGHLIGHTS

Following a review of the Latrobe Magnesium pre-feasibility study Directors decided to proceed with the acquisition of 100% of Magnesium Investments Pty Limited, the current owner of the Latrobe Magnesium Project.

The pre-feasibility study indicated that:-

- The Project has the potential to produce 100,000 tonnes of magnesium metal each year by processing 1.2 million tonnes of fly ash.
- The direct production cost is estimated at $0.705/pound representing a cost saving of at least 26% when compared to other Australian magnesium projects.
- The new dehydration technology to be provided by Canadian multinational Alcan International Limited contributes to the low capital and operating costs verified by the pre-feasibility study.

The decision to acquire Magnesium Investments Pty Limited also provides for the implementation of the changes dealt with by shareholders at the 7 June 2002 General Meeting, namely:

- Change of name of the Company to Latrobe Magnesium Limited.
- Appointment of Messrs Paterson and Sylvester as Directors.
- Divestment of exploration assets.

LATROBE MAGNESIUM PROJECT

The Latrobe Magnesium Project was identified by Directors as one of vast potential as part of the continuing process of seeking opportunities to maximise the interests of shareholders.

On 15 November 2001, the Company entered into an Agreement whereby it could earn a 15% interest in the Latrobe Magnesium Project by expending up to $1 million on a pre-feasibility study. The terms of the Agreement further provided the Company with an option to increase its holding to 100% interest in the project by acquiring Magnesium Investments Pty Limited for a consideration of 196,000,000 fully paid ordinary shares.

The Latrobe Magnesium Project involves the extraction and production of magnesium metal from the brown coal ash produced in electricity generation from coal deposits in the Latrobe Valley. The ash from the brown coal of the Latrobe Valley is unique, in having significant magnesium content (often up to 10% - 12%).

The magnesium will be extracted utilising an acid leach process, followed by purification of the magnesium chloride solution, dehydration by the Alcan process, then producing magnesium metal by electrolysis utilising established Alcan cell technology.

Agreement has been reached with Hazelwood and Yallourn Energy for the supply of their ash to the project and a written commitment to support the Project received from Loy Yang Power.

With these undertakings the Company has access to sufficient ash for the production of 100,000 tonnes of magnesium metal per year for a minimum period of 20 years.

In April 2002 Directors, encouraged by the initial progress of the pre-feasibility study, sought shareholder approval to exercise the option to acquire a 100% interest in the Latrobe Magnesium Project to ensure a timely transition of the project to the next stage of development.

That approval was obtained subject to the completion of the pre-feasibility study to the reasonable satisfaction of the Board of Directors at a General Meeting of Members held on 7 June 2002. Shareholders also approved a number of related matters, including changing the Company's name to Latrobe Magnesium Limited, disposing of Western Australian mineral tenements and the appointment of new Directors.

The pre-feasibility study was produced by Worley Engineers utilising the specialist input from a range of internationally recognised expert organisations including Alcan International Inc, Lakefield Research Inc, and Alcan Engineers Pty Ltd.

The study confirmed the economic, financial and technical feasibility of the Project. The essential results of the study are set out below:

The technology selected for the project was straightforward:

- The basic process route comprises leaching, purification, evaporation, dehydration, electrolysis, alloying and casting;
- The dehydration stage is based on Alcan Dehydration Technology;
- The electrolysis plant incorporates Alcan's high efficiency EX2 electrolytic cell technology;
- This technology is regarded as "safe" with no technical boundaries being challenged;
- Several of the technologies involved in the production of magnesium metal from brown coal fly ash are general process technologies;
- These have been developed and refined over a number of years;
- The only "new" technology is the Alcan Dehydration Process;
- This technology has been proven at a laboratory scale using Latrobe ash and will be piloted during the Bankable Feasibility Study;
- Further test work will refine the processes and will allow the project to capitalise on technology improvements to increase productivity and energy-efficiency.

Based on this technology Worley Engineers determined that the project had outstanding economics:

• Estimated capital costs total	A$857 million
• Estimated owners costs total	A$127 million
• Estimated project costs total	A$984 million
• Estimated operating costs total	A$172 million
• Estimated direct product costs	A$0.705/lb
• Cash flow positive	First year
• Projected internal rate of return after tax	29%

Of particular note are the low capital and operating costs, which are attributed to:

- No mining costs;
- No comminution costs;
- Faster leaching due to smaller particle size;
- Smaller leach plant;
- Lower dehydration costs;
- No costs for conveyor, rail or truck transportation of feedstock;

- No double handling of raw material;
- By-Product credits from other materials contained in ash;
- No power distribution fees;
- Utilisation of power station land;
- No native title considerations;
- Environmental impact study is greatly simplified.

On the basis of these excellent results, Directors decided to proceed with the acquisition of 100% of the project and in August 2002 issued 196,000,000 shares as consideration for the acquisition. Having acquired the project the Company then changed its name to Latrobe Magnesium Limited to reflect the Company's new direction and focus on the magnesium project of the Latrobe Valley.

The next stage in this exciting program will be the bankable feasibility study, which will confirm the project's capital and operating costs to the higher order of accuracy required by the banks for project finance. This study will include further drilling and sampling of the ash ponds to define the ash resource, piloting of the dehydration process to confirm the process on a larger scale, and engineering design by Australian and overseas engineers. This work will be undertaken over the next two years at a cost of some $20 million.

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MINING TENEMENTS

At a General Meeting of Members held on 7 June 2002 shareholders approved, subject to completion of the Share Sale Agreement, the transfer of certain interests in assets of the Company to Mr J R V Money, a former Director, in lieu of certain termination payments totalling $125,000.

These assets consisted of the following:

- Western Australian Mineral tenements (see list below).
- A motor vehicle and sundry plant items associated with exploration activities with a written down value of $25,000.

TENEMENT SCHEDULE

Tenement No.	Tenement Name	Percentage Interest
Eastern Goldfields		
M29/0189	Federal (Granny Venn)	100%
P29/1343	Federal West (Granny Venn)	100% - (M29/0229)
P29/1345	Federal West (Granny Venn)	100% - (M29/0229)
P29/1387	Federal (Granny Venn)	100% - (M29/0236)
M29/0256	Federal (Granny Venn)	100%
P29/1591	Oliver Twist	100% - (M29/0302)
P29/1592	Oliver Twist	100% - (M29/0302)
P29/1593	Oliver Twist	100% - (M29/0301)
P29/1594	Oliver Twist	100% - (M29/0301)
P29/1595	Oliver Twist	100% - (M29/0301)
P29/1596	Oliver Twist	100% - (M29/0301)
P29/1597	Oliver Twist	100% - (M29/0301)
P29/1598	Oliver Twist	100% - (M29/0300)
L29/0061	Menzies	100%
E29/0154	Cock Robin	100%
P38/2382	Mitchell Well	100% - (M38/0547)
P38/2383	Mitchell Well	100% - (M38/0547)
P38/2498	Mitchell Well	100% - (M38/0547)
P29/1309	Kensington	100% - (M29/0183)
P29/1350	Spion Kop	100% - (M29/0208)
P29/1351	King Dam	100% - (M29/0208)
P37/4552	Yandal – Golden Fox	100% - (M37/0716)
P37/4553	Yandal – Plumb Bob	100% - (M37/0717)
P40/1013	Campbell Rock Hole	Royalty Only
E40/0077	Kookynie South	Royalty Only
E40/0063	Morapoi	Royalty Only
M40/0118	Niagara	Royalty Only
M40/0204	Othello	Royalty Only
M40/0151	Desdemona	Royalty Only
M16/0027	West Black Flag	Royalty Only
Pilbara Region		
E47/0574	Glen Roebourne	100% - (M47/0488)
M47/0325	Gregory West	100%
Kimberley Region		
M80/0247	Mt Angelo	100%
E08/1239	Mt Vernon	100%
E08/1240	Mt Vernon	100%

LATROBE MAGNESIUM PROJECT

On 7 August 2002 Directors announced that the Latrobe Magnesium Project pre-feasibility study had been completed to its satisfaction providing for completion of the Share Sale Agreement allowing the Company to proceed with the divestment of its mining tenements and associated exploration equipment.

At the date of this report, the divestment of these assets was still in progress.

PADDINGTON GOLD PTY LIMITED ROYALTY DISPUTE

The Supreme Court claim against Paddington Gold is for unpaid royalties. The principal issue in that dispute is the top cuts that ought to be applied to the Granny Venn and Auntie Nellie ore processed by Paddington. By agreement, submissions have been made to an independent expert regarding this issue and a determination is expected in late November or early December 2002. Once this issue has been determined, amounts arising and interest can be calculated.

EPIC SYSTEMS INC

Following the merger with EBTECH the Company’s equity interest reduced to 12% of the diluted capital.

Epic have now announced that a further merger with Hallcloset is proposed with the aim of obtaining additional funds and expand the business. With this merger the Company’s equity interest will reduce to 8.7%.

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DIRECTORS' REPORT

In respect of the financial year ended 30 June 2002, the Directors of Latrobe Magnesium Limited ("the Company"), present their report together with the Financial Report of the Company and the Consolidated Financial Report for the Group, being the Company and its controlled entities and the Auditors' Report thereon.

1. DIRECTORS

The following persons held office as Directors of Latrobe Magnesium Limited at the date of this report:

R J Bowden, Chairman
C W Sylvester, CEO
R D Foster
D O Paterson
K A Torpey

Robert John Bowden – Chairman
Mr Bowden has approximately 20 years experience in the mining and exploration industry and is a former Director of a publicly listed company. In addition, Mr Bowden has a good knowledge of capital raisings and corporate finance issues through his involvement in the securities industry.

Christopher William Sylvester – Chief Executive Officer
Mr Sylvester is a Chartered Metallurgical Engineer with 30 years experience in the design and operation of mineral projects. He has a thorough understanding of the magnesite and magnesium industries, having managed both international and local magnesium projects. My Sylvester has also been an adviser to Normandy Mining Limited on the AMC project.

Rodney David Foster – Non Executive Director
Mr Foster is a geologist with over 15 years experience in mineral exploration in Western Australia and Victoria. He has provided geological services to the Company over approximately 10 years and is currently a Director of Datafast Telecommunications Ltd.

David Oliver Paterson – Non-Executive Director
Mr Paterson brings over 10 years experience running the Sydney-based Europacific corporate advisory group. Previously, he was employed in merchant banking and is a qualified Chartered Accountant, having worked for Coopers & Lybrand. His experience covers both the debt financing of complex property and mining transactions and equity raisings.

Kevin Anthony Torpey – Non-Executive Director
Mr Torpey is a Civil Engineer and over the last 40 years has been involved in the development of many diverse major projects involving oil, iron ore, aluminium, nickel, lead/zinc, uranium, magnesite, coal and gold, located locally and in Ireland and Indonesia. Generally these projects have been associated with major companies such as Consolidated Goldfields, EZ Industries, Alcan, International Nickel, Tara Minerals Limited (Ireland), Noranda, Denison Mines (Canada), Toyota and Mitsubishi.

The following changes have occurred to the Company's Corporate Directorate since the date of the previous Annual Report:

a. Mr J R Money resigned as Managing Director on 30 November 2001.
b. Mr D V Martino resigned as a Director on 24 April 2002.
c. Mr K A Torpey was appointed a Director on 24 April 2002.
d. Messrs C W Sylvester and D O Paterson were appointed Directors of the Company on 23 August 2002 with Mr Sylvester also being appointed Chief Executive Officer.

2. PRINCIPAL ACTIVITIES

The principal activities of the Group during the financial year were as follows:

- Exploration and mining of mineral deposits;
- Development of the Latrobe Magnesium metals project, including commencement of a pre-feasibility study.

There were no other significant changes in the nature of the Group's principal activities during the financial year.

3. CONSOLIDATED RESULTS

The consolidated loss of the group for the year after providing for income tax expense was $1,361,562 (2001: net loss of $3,397,913).

4. DIVIDENDS

The directors of the Company do not recommend that any amount be paid by way of dividend. The Company has not paid or declared any amount by way of dividend since the commencement of the financial year.

5. REVIEW OF OPERATIONS

A review of the operations for the financial year, together with future prospects, which forms part of this report, is set out on pages 3 to 5.

6. SIGNIFICANT CHANGES

Significant changes in the State of Affairs of the Company during the year under review were as follows:

- An increase in paid up capital from $14,112,971 to $15,455,684 resulting from the following:
- On 14 December 2001, the Company issued 11,340,000 ordinary shares at a price of 2.5 cents per share to raise funds to assist in the funding of the pre-feasibility stage of the Latrobe Magnesium project;
- On 28 February 2002, the Company issued 13,039,166 shares at 6 cents to raise additional funds for the Latrobe Magnesium Project pre-feasibility study;
- In June 2002, the Company completed a placement of 7,000,000 fully paid ordinary shares at 5 cents per share to fund the finalisation of the pre-feasibility study for the Latrobe Magnesium Project.

- On 15 November 2000, the Company entered into an Agreement whereby it could earn a 15% interest in the Latrobe Magnesium Project by spending up to $1million on a pre-feasibility study. The Agreement provided the Company with the right to acquire 100% of the issued capital of Magnesium Investments Pty Limited, the holder of the Latrobe Magnesium Project.

- On 22 April 2002, Directors announced that having considered the initial progress of the Latrobe Magnesium Feasibility study, they would seek shareholder approval to exercise the option to acquire 100% equity interest in the Latrobe Magnesium Project. That was obtained at a General Meeting of Members held on 7 June 2002 at which shareholders approved, subject to the successful completion of the pre-feasibility study, the following:
  - The acquisition of the total issued capital of Magnesium Investments Pty Limited. Consideration for the acquisition being the issue of 196,000,000 fully paid ordinary shares in the issued capital of the Company.
  - A change of name of the Company to Latrobe Magnesium Limited.
  - The appointment of Messrs D O Patterson and C W Sylvester, as Directors of the Company.
  - The transfer of exploration tenements owned by the Company to a former Director.

Other matters approved by shareholders at that Meeting which were not the subject of any conditions precedent included the following:

- The re-election of K A Torpey as a Director of the Company.
- Ratification of the issue of 13,039,166 fully paid ordinary shares at an issue price of 6 cents per share for the purpose of raising additional working capital.

7. MATTERS SUBSEQUENT TO BALANCE DATE

a. On 7 August 2002, Directors announced that they had reviewed the Latrobe Magnesium Project pre-feasibility study and were pleased with its findings. This decision by Directors is the final condition required prior to implementing the matters approved by shareholders at 7 June 2002 General Meeting resulting in:

   i. The issue of 196,000,000 fully paid ordinary shares on 29 August 2002 as consideration to complete the acquisition of 100% of the issued capital of Magnesium Investments Limited, the current holder of the Latrobe Magnesium Project.
   ii. Confirmation on 23 August 2002 of the appointment of Messrs D O Paterson and C W Sylvester as Directors of the Company.
   iii. The change of name of the Company to Latrobe Magnesium Limited becoming effective on 6 September 2002 with the issue of a Certificate of Registration on Change of Name by the Australian Securities & Investments Commission. The Company's new ASX Listing Code becoming LMG.
   iv. The Company proceeding with the divestment of its exploration tenements.

Except for those matters referred to above, no other matter or circumstance had arisen since 30 June 2002 that has significantly affected or may significantly affect:

1. The consolidated entity's operations in future financial years; or
2. The results of those operations in future financial years; or
3. The consolidated entity's State of Affairs in future financial years.

8. LIKELY DEVELOPMENTS

Note 6 to the Financial Statements refers to proceedings instituted against Paddington Gold Pty Limited in the Supreme Court for outstanding royalty and interest of approximately $1,400,000 (net book value $743,986).

The Directors are confident of success in this matter, however at the date of this report the outcome is inherently uncertain and as a result Directors have initiated the process of securing additional funding pursuant to a share placement to meet working capital commitments.

Except for the other information disclosed in this report on developments and the expected results of these developments, further information has not been disclosed in this report because in the opinion of Directors, to disclose more would prejudice the interests of the Group.

9. CORPORATE GOVERNANCE POLICY

The Board of Directors of the Company is responsible for the corporate governance of the consolidated entity. The Board monitors the business affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable.

At the date of this report no separate committees of the Board of Directors exists. There being three non-executive Directors of the Company, all matters to be dealt with by a committee are dealt with by the board of Directors.

The following outlines the main corporate governance practices established to ensure the Board is equipped to discharge its responsibilities.

Composition of the Board

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board shall comprise at least three Directors, increasing where additional expertise is considered desirable in certain areas.
- The Board shall comprise a majority of non-executive Directors.
- Directors may bring characteristics that allow a mix of qualifications, skills and experience.

The Board will review its composition on an annual basis to ensure that it has the appropriate mix of expertise and experience. Where a vacancy exists or where it is considered that the Board will benefit from the services of a new Director with particular skills, the Board will select appropriate candidates with relevant qualifications, skills and experience.

The Chairman will review the performance of all Directors each year. Directors whose performance is unsatisfactory will be asked to retire.

Independent Professional Advice

Each Director will have the right to seek independent professional advice at the Company's expense. However, prior approval by the Chairman will be required, which will not be unreasonably withheld.

Business Risk

The Board will monitor and receive advice on areas of operational and financial risk and consider strategies for appropriate risk management arrangements.

Specific areas of risk, which are identified, will be regularly considered at Board meetings. Included in these areas are foreign currency and commodities price fluctuations, performance of activities, human resources, the environment and continuous disclosure obligations.

Ethical Standards

The Board's policy for the Directors and management is that they conduct themselves with the highest ethical standards. All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the consolidated entity.

10. SHARE OPTIONS

The following options were granted over unissued shares during the financial year:

a. On 12 December 2001 4,000,000 options were granted to a Director of the Company pursuant to shareholder approval being obtained at the Annual General Meeting of the Company held on 30 November 2001. The terms and conditions of grant of these options is set out below:

   i. 2,000,000 options exercisable at 5 cents prior to 12 December 2004; and
   ii. 2,000,000 options exercisable at 10 cents prior to 12 December 2004.

b. No options were exercised during the financial year.

c. No options were granted in the period from the end of the financial year and up to the date of this report.

d. No options have expired since the end of the last financial year.

At the date of this report the total number of unissued shares under option is 4,000,000. These options are exercisable on the following terms and conditions:

Expiry Date	Exercise Price	No. of Options
12 December 2004	5 cents	2,000,000
12 December 2004	10 cents	2,000,000

11. MEETINGS OF DIRECTORS

The following table sets out the number of meetings of the Company's Directors held during the year ended 30 June 2002 and the numbers of meetings attended by each Director.

	Meetings attended	Meetings held whilst in office
R J Bowden	6	6
J R V Money	3	3
R D Foster	6	6
D V Martino	5	5
K A Torpey	-	1

Messrs Paterson and Sylvester were appointed Directors subsequent to the end of the financial year.

12. DIRECTORS AND EXECUTIVE OFFICERS EMOLUMENTS

The Board will review the remuneration packages and policies applicable to Executive Directors, senior executives and non-executive Directors on an annual basis. Remuneration levels will be competitively set to attract qualified and experienced Directors and senior executives. Where necessary the Board will obtain independent advice on the appropriateness of the remuneration packages.

Details of the nature and amount of each major element of the emoluments of each director of the Company and each of the five named officers of the Company and the consolidated entity receiving the highest emoluments are:

Director	Base Emoluments $	Super Contributions $	Director's Termination Payments $	Total $
R J Bowden	41,546	-	-	41,546
J R V Money	106,000	15,000	125,000	246,000
R D Foster	93,524	-	-	93,524
D V Martino	14,055	-	-	14,055
K A Torpey	2,000	-	-	2,000

No consolidated figures have been disclosed as the figures for both consolidated and parent entity are the same.

Full details on options issued to directors are included in Note 21 to the accounts. These options have an exercise price of $0.05 and $0.10. There are 2,000,000 5 cent options and 2,000,000 10 cent options. They have been valued at $28,000, based on the intrinsic value method, as the exercise price ($0.05) is lower than both the historic and current value ($0.064) cents) for the shares.

13. DIRECTORS' INTERESTS AND BENEFITS

The relevant interest of each Director in the equity capital of the Company shown in the register of Directors' shareholdings as at the date of this report is:

Director	Shares Held Directly	Shares Held Indirectly	Options Held Directly	Options Held Indirectly
R J Bowden	1,775,000	-	400,000	-
R D Foster	2,000,000	1,012,849	3,600,000	-
K A Torpey	32,013,334	33,320,000	-	-
C W Sylvester	32,013,334	33,672,500	-	-
D O Paterson	-	35,933,333	-	-

R D Foster has an indirect interest in 1,012,849 fully paid ordinary shares registered in the name of Rodney Foster and Debra Foster Family Super Fund A/C. Mr Foster is a beneficiary of the Foster Family Superannuation Fund.

D O Patterson has an indirect interest in 17,607,333 fully paid ordinary shares held by Rimotran Pty Limited, 8,803,667 shares as trustee for the David Paterson Super Fund Account, a further 8,803,666 shares as trustee for the David Paterson Family Account, and 18,326,000 fully paid ordinary shares held in trust by Emesco Agents Pty Limited for and on behalf of Rimotran Pty Limited. Rimotran Pty Limited is a company controlled by D O Paterson.

C W Sylvester has an indirect interest in 352,500 fully paid ordinary shares registered in the name of Christopher Sylvester and Jean Sylvester Super Fund Account. Mr Sylvester is a beneficiary of the Sylvester Family Superannuation Fund and 33,320,000 fully paid ordinary shares held in trust by Emesco Agents Pty Limited for and on behalf of C W Sylvester. K A Torpey has an indirect interest in 33,320,00 fully paid ordinary shares held in trust by Emesco Agents Pty Limited for and on behalf of K A Torpey.

Since the end of the financial year no Director of the Company has received or become entitled to receive a benefit because of a contract that the Director or a firm of which the Director is a member or an entity in which the Director has a substantial financial interest made with the Company or an entity that the Company controlled, or a body corporate that was related to the Company, when the contract was made or when the Director received, or became entitled to receive the benefit, other than:

i) A benefit included in the aggregate amount of emoluments received or due and receivable by the Directors shown in Note 19 to the financial statements; or

ii) A fixed salary of a full time employee of the Company or an entity that the Company controlled or related body corporate; or

iii) Professional fees paid to Deloitte Touche Tohmatsu, Chartered Accountants, of which D V Martino is a partner, for provision of professional advice financial and administration services in the normal course of business; or

iv) Rent paid to Griffin Vale Grazing Company Pty Ltd and Magenta Vale Pty Ltd, of which J R V Money is a director, for the provision of office facilities and a base for mining operations in the normal course of business; or

v) Professional fees paid to Minico Pty Ltd of which R D Foster is a director, for the provision of management services in the normal course of business.

During or since the financial year the Company has not indemnified or made a relevant agreement to indemnify an officer or auditor of the Company or of any related body corporate against liability incurred as such an officer or auditor. In addition, the Company has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer or auditor.

14. PROCEEDING 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 those proceedings.

The company was not a party to any such proceedings during the period

15. ENVIRONMENTAL REGULATION

The company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a State or Territory.

This report is signed in accordance with a resolution of the Directors, made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors

D O PATERSON	**C W SYLVESTER**
Director	Director

Dated at Sydney this day of 2002

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DIRECTORS' DECLARATION
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2002

1. In the opinion of the Directors of Latrobe Magnesium Limited (formerly Rambora Technologies Limited:

   (a) The financial statements and notes, set out on pages 17 to 36, are in accordance with the Corporations Act 2001, including:

      (i) Giving a true and fair view of the financial position of the Company and consolidated entity as at 30 June 2002 and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date; and

      (ii) Complying with Accounting Standards and the Corporations Regulations 2001; and

   (b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   The company and a wholly owned subsidiary have entered into a deed of cross guarantee under which the company and its subsidiaries guarantee the debts of each other.

   At the date of this declaration, there are reasonable grounds to believe that the companies which are party to this deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become subject to, by virtue of the deed.

   Signed in accordance with a resolution of Directors made pursuant to Section 295(4) of the Corporations Act 2001.

On behalf of the Directors

D O PATERSON	**C W SYLVESTER**
Director	Director

Dated in Sydney this day of 2002

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STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2002

	Note	Consolidated		Company	
		2002	**2001**	**2002**	**2001**
		$	**$**	**$**	**$**
Revenue from ordinary activities	2	-	4,077	-	4,077
Other revenue from ordinary activities	2	40,170	51,606	40,170	51,606
Total revenue		40,170	55,683	40,170	55,683
Marketing expenses		(6,600)	(23,044)	(6,600)	(23,044)
Employee benefit expenses		(11,240)	(7,607)	(11,240)	(7,607)
Depreciation expenses		(6,306)	(10,819)	(6,306)	(10,632)
Borrowing costs expenses	3	(184)	(113)	(184)	(113)
Exploration costs expenses		(283,203)	(24,412)	(261,291)	(24,412)
Administration costs expenses		(994,992)	(690,744)	(991,246)	(712,843)
Bad debts		(200)	(2,508,335)	(200)	(2,508,335)
Other expenses from ordinary activities		(99,007)	(188,522)	(99,007)	(188,522)
Loss from ordinary activities before related income tax expense		(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
Income tax benefit relating to ordinary activities	4	-	-	-	-
NET LOSS		(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
NET LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT ENTITY		(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
TOTAL CHANGES IN EQUITY FROM NON-OWNER RELATED TRANSACTIONS ATTRIBUTABLE TO THE MEMBERS OF THE PARENT ENTITY		(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
Earnings Per Share					
- Basic (cents per share)	24	(1.58)	(4.49)		
- Diluted (cents per share)	24	(1.58)	(4.49)		

The accompanying notes form part of these financial statements

LATROBE MAGNESIUM LIMITED
AND ITS CONTROLLED ENTITIES
(FORMERLY RAMBORA TECHNOLOGIES LIMITED)
ABN 52 009 173 611

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2002

	Note	Consolidated 2002	Consolidated 2001	Company 2002	Company 2001
		$	$	$	$
CURRENT ASSETS					
Cash assets	5	145,903	889,295	145,901	889,293
Receivables	6	986,559	751,645	986,559	751,645
Other financial assets	7	-	45,019	-	44,045
Other	8	-	5,202	-	5,202
TOTAL CURRENT ASSETS		1,132,462	1,691,161	1,132,460	1,690,185
NON-CURRENT ASSETS					
Receivables	6	-	-	-	-
Other financial assets	7	-	-	333,066	364,847
Plant & equipment	9	39,948	31,349	14,948	28,583
Other	8	930,000	225,634	930,000	203,722
TOTAL NON-CURRENT ASSETS		969,948	256,983	1,278,014	597,152
TOTAL ASSETS		2,102,410	1,948,144	2,410,474	2,287,337
CURRENT LIABILITIES					
Payables	10	238,623	106,229	238,617	106,229
Provisions	11	125,000	59,935	100,000	59,935
TOTAL CURRENT LIABILITIES		363,623	166,164	338,617	166,164
NON CURRENT LIABILITIES					
Other financial liabilities	12	-	-	333,064	364,845
Provisions	11	-	24,344	-	24,344
TOTAL NON-CURRENT LIABILITIES		-	24,344	333,064	389,189
TOTAL LIABILITIES		363,623	190,508	671,681	555,353
NET ASSETS		1,738,787	1,757,636	1,738,793	1,731,984
EQUITY					
Contributed Equity	13	15,455,684	14,112,971	15,455,684	14,112,971
Reserves	14	1,315,402	1,315,402	1,315,402	1,315,402
Accumulated losses	15	(15,032,299)	(13,670,737)	(15,032,293)	(13,696,389)
TOTAL EQUITY		1,738,787	1,757,636	1,738,793	1,731,984

The accompanying notes form part of these financial statements

LATROBE MAGNESIUM LIMITED
AND ITS CONTROLLED ENTITIES
(FORMERLY RAMBORA TECHNOLOGIES LIMITED)
ABN 52 009 173 611

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2002

	Note	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Cash Flows from Operating Activities					
Receipts from customers		75,078	2,340,037	75,078	2,340,037
Payments to suppliers and employees		(1,050,761)	(1,080,626)	(1,043,006)	(1,080,626)
Interest received		16,540	49,817	16,540	49,817
Borrowing costs paid		(184)	(113)	(184)	(113)
Net Cash Provided By Operating Activities	22(ii)	(959,327)	1,309,115	(951,572)	1,309,115
Cash Flows from Investing Activities					
Proceeds on sale of plant and equipment		22,750	-	22,750	-
Proceeds from sale of investments		30,019	-	29,045	-
Payments for property, plant and equipment		(25,000)	(2,216)	-	(2,216)
Payment for Latrobe magnesium project		(830,000)	-	(830,000)	-
Payment for exploration expenditure		-	(157,837)	-	(135,924)
Payments for investments		(99,527)	(182)	(99,527)	-
Net Cash Used In Investing Activities		(901,758)	(160,235)	(877,732)	(138,140)
Cash Flows from Financing Activities					
Proceeds from share issue		1,190,850	-	1,190,850	-
Costs of share issue		(73,157)	-	(73,157)	-
Loans to third parties		-	(1,007,948)	-	(1,007,948)
Loans to controlled entities		-	-	(31,781)	(22,095)
Net Cash Provided By Financing Activities		1,117,693	(1,007,948)	1,085,912	(1,030,043)
Net (Decrease)/Increase in Cash Held		(743,392)	140,932	(743,392)	140,932
Cash at the Beginning of the Year		889,295	748,363	889,293	748,361
Cash at the End of The Year	22(i)	145,903	889,295	145,901	889,293

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this financial report are:

(a) Basis of Preparation

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

The financial report covers the consolidated entity of Latrobe Magnesium Limited and controlled entities, and Latrobe Magnesium Limited as an individual parent entity. Latrobe Magnesium Limited is a public listed company, incorporated and domiciled in Australia.

It has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by each entity in the consolidated entity and except where there is a change in accounting policy, are consistent with those of the previous year.

(b) Principles of Consolidation

Controlled Entities

The financial statements of controlled entities are included from the date control commences until the date control ceases.

Outside interests in the equity and results of the entities that are controlled by the company are shown as a separate item in the consolidated financial statements.

Transactions Eliminated on Consolidation

Unrealised gains and losses and inter-entity balances resulting from transactions with or between controlled entities are eliminated in full on consolidation.

(c) Payables

Payables are recognised when the economic entity becomes obliged to make future payments resulting from the purchase of goods and services.

(d) Acquisition of Assets

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

The investment in the subsidiary on acquisition of, the identifiable net assets of the entity (acquired directly or indirectly) has been measured at their fair values.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Recoverable Amount of Non-Current Assets Valued on cost basis

The carrying amounts of non-current assets are valued on the cost basis, are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds its recoverable amount, the asset is written down to the lower amount. The write-down is recognised as an expense in the net profit or loss in the reporting period in which it occurs.

(f) Depreciation

Useful lives
All plant and equipment have limited useful lives and are depreciated using the diminishing value and straight line method over their estimated useful lives.

Assets are depreciated from the date of acquisition.

Depreciation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation is expensed.

The depreciation rates used for each class of asset are as follows:

	Depreciation rate		Depreciation method
	2002	**2001**	
Plant and equipment	20-30%	20-30%	Straight line
Plant and equipment	22.5%	22.5%	Diminishing value

Investments

Investments are carried in the financial statements at the lower of cost or recoverable value.

(g) Employee Entitlements

The provisions for employee entitlements to annual leave and long service leave represent the amounts which each entity in the consolidated entity has an obligation to pay resulting from employees' services provided up to the balance date. The provisions include related on-costs.

(h) Exploration Expenditure

Exploration and evaluation expenditure is accumulated in respect of each identifiable area of interest and carried forward in the Statement of Financial Position where:

(a) rights of tenure of the area of interest are current; and
(b) one of the following conditions are met:

(i) It is expected that the expenditure will be recovered through successful exploitation of an area of interest or alternatively, its sale; or
(ii) Exploration activities are continuing in an area of interest which has not yet reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area are continuing.

Accumulated expenditure on areas which have been abandoned, or are considered to be of no value, is amortised in the year in which such a decision is made. Such amortisation is disclosed in the Statement of Financial Performance in the relevant period.

Exploration properties may be subject to claims under native title or contain sacred sites or sites of significant to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration and/or mining restrictions or incur a liability for compensation. It is not possible to quantify these restrictions and liabilities at this time. This amount has been written back to recoverable value in light of the post balance day event.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Restoration costs

Provisions are made for estimated costs relating to the restoration of mined land. Cost are determined on an undiscounted basis. These costs have been determined based on current cost. Changes in estimates are dealt with on a prospective basis.

Significant uncertainty exists as to the amount of restoration obligations that we be incurred due ot the following factors:
- uncertainty as to the remaining life of existing operating sites; and
- impact of changes in environmental legislation.

(j) Interests in Joint Ventures

The economic entity's share of the assets, liabilities, revenue and expenses of joint venture operations is included in the appropriate items of the Statement of Financial Position and Statement of Financial Performance.

(k) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to the ATO is included as a current asset in the statement of financial position.

Cash flows are included in the Statement of Cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to the ATO are classified as operating cash flows.

(l) Income Tax

The group adopts the liability method of tax-effect accounting whereby the income tax expense shown is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a future income tax benefit at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits in relation to tax losses are not brought to account unless there is virtual certainty of realisation of the benefit.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(m) Non Current Other Financial Assets - Investments in Controlled Entities

Investments in controlled entities are brought to account at cost or at directors' valuation. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the shares' current market value of the underlying net assets in the particular entities.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Revenue Recognition

Interest Income
Interest income is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Other Income
Income from other sources is recognised when the fee in respect of other products or service provided is receivable.

(o) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with current financial year presentation.

(p) Cash

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

(q) Going concern basis of accounting

The directors have prepared the financial report on a going concern basis, notwithstanding the current uncertainty over the outcome of the Paddington Gold Pty Limited legal claim (Refer Note 6).

Whilst the directors are confident that the matter will be settled in favour of the company, if there are delays in the finalisation of this matter or if the outcome is unfavourable to the company, the directors will need to secure additional funding in order to meet its planned feasibility study commitments.

		Consolidated		Company	
		2002	2001	2002	2001
		$	$	$	$
2.	**REVENUE FROM ORDINARY ACTIVITIES**				
	Sale of goods revenue from operating activities	-	4,077	-	4,077
	Other Revenues				
	From operating activities				
	Interest received - other parties	16,540	49,688	16,540	49,688
	Sundry income	880	1,918	880	1,918
	From outside operating activities				
	Insurance claim income	22,750	-	22,750	-
	Total other revenues	40,170	51,606	40,170	51,606
	Total revenue for ordinary activity	40,170	55,683	40,170	55,683
3.	**LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE**				
	Loss from ordinary activities before income tax expense has been arrived at after charging (crediting) the following items.				
	Exploration expenditure written off	125,634	24,412	103,722	24,412
	Net bad and doubtful debts	200	2,508,335	200	2,508,335
	Loss on write-down of investment	46,781	-	46,781	-
	Borrowing costs paid– other persons	184	113	184	113
	Net expense from movement in provision for employee entitlements	(5,995)	13,245	(5,995)	13,245
	Depreciation – plant and equipment	6,306	10,819	6,306	10,632
	Loss on write-down of plant & equipment	2,766	12,797	-	12,797
	Director termination payment	125,000	-	100,000	-
	Interest received – other parties	(16,540)	(49,688)	(16,540)	(49,688)
	Remuneration of Auditors				
	Audit services:				
	Auditors of the Company – Grant Thornton	18,120	11,500	18,120	11,500
4.	**TAXATION**				
	(a) Income Tax Expenses				
	Prima facie tax benefit calculated at 30% (2001 34%) on the loss from ordinary activities before income tax	(408,469)	(1,155,291)	(400,771)	(1,162,741)
	(Increase)/decrease in income tax benefit due to:				
	Non-allowable deductions	3,266	62,225	3,266	62,225
	Exploration Expenditure	-	(57,516)	-	(50,065)
	Timing difference and tax losses not brought to account as deferred tax	405,203	1,150,582	397,505	1,150,581
	Income Tax Expense Relating to Ordinary Activities	-	-	-	-
	Future income tax benefit not taken to account				
	The potential future income tax benefit in a controlled entity which is a company arising from tax losses is not virtually certain.				
	Tax losses carried forward	405,203	1,159,582	397,505	1,150,581

4. TAXATION (continued)

The potential future income tax benefit will only be obtained if:

(i) the relevant company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised or the benefit to be utilised by another company in the consolidated entity in accordance with Division 170 of the Income Tax Assessment Act 1997.

(ii) the relevant company and/or the consolidated entity continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the relevant company and for the consolidated entity in realising the benefit.

	Consolidated		Company	
	2002	**2001**	**2002**	**2001**
	$	**$**	**$**	**$**
5. CASH ASSETS				
Cash at Bank and on Hand	116,252	889,295	116,250	889,293
Term Deposits	29,651	-	29,651	-
	145,903	889,295	145,901	889,293

The term deposits mature within the current financial year

6. RECEIVABLES				
Current				
Trade debtors	1,243,986	1,243,986	1,243,986	1,243,986
Less: Provision for doubtful debts	(500,000)	(500,000)	(500,000)	(500,000)
Sundry debtors	225,000	960	225,000	960
Interest receivable	-	334	-	334
GST Recoverable	17,573	6,365	17,573	6,365
	986,559	751,645	986,559	751,645

Paddington Gold Pty Limited Royalty Dispute

In June 2002 the company instituted proceedings against Paddington Gold Pty Ltd in the supreme court. The claim is for outstanding royalty and interest of approximately $1,400,000 (Net book value $743,986). In addition the company has sought damages for economic loss of $600,000. The Supreme Court proceedings have been stayed for an Independent Expert to determine one aspect of the royalty dispute. Until this expert determination has been completed the exact amount of the royalty can not be determined. The directors are confident of success in this matter, however at the date of this report the outcome is inherently uncertain.

	Consolidated		Company	
	2002	**2001**	**2002**	**2001**
	$	**$**	**$**	**$**
Non Current				
Loans to third parties	2,507,948	2,507,948	2,507,948	2,507,948
Less: Provision for non-recovery	(2,507,948)	(2,507,948)	(2,507,948)	(2,507,948)
Loan to controlled entity	-	-	53,806	53,606
Less: Provision for non recovery	-	-	(53,806)	(53,606)
	-	-	-	-

Loans to third parties are secured by a fixed and floating charge over the assets of the third parties.
Loans to controlled entity is unsecured and interest free and has no fixed term of repayment.

7. OTHER FINANCIAL ASSETS				
Current				
Investment in other entities:				
Unlisted investments – at cost	15,000	15,000	15,000	15,000
Less: provision for diminution	(15,000)	-	(15,000)	-
	-	15,000	-	15,000
Listed shares at market value	-	974	-	-
Term deposits	-	29,045	-	29,045
	-	45,019	-	44,045

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
7. OTHER FINANCIAL ASSETS Continued				
Non Current				
Investments in controlled entities at cost	-	-	704,203	704,203
Less: Provision for diminution in value	-	-	(371,137)	(339,356)
	-		333,066	364,847
Investments in other entities				
EPIC System Inc	99,527	-	99,527	-
Less: Provision for non recovery	(99,527)	-	(99,527)	-
	-	-	333,066	364,847

A list of controlled entities is contained in Note 16

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
8. OTHER				
Current				
Prepayments	-	5,202	-	5,202
Non Current				
Tenements – at recoverable value	100,000	225,634	100,000	203,722
Investment in Latrobe Magnesium Project	830,000	-	830,000	-
	930,000	225,634	930,000	203,722

The Latrobe Magnesium feasibility study is still in progress.

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
9. PROPERTY, PLANT AND EQUIPMENT				
Non Current				
Owned Assets				
Property, plant and equipment - at cost	58,898	115,881	33,898	83,909
Less: accumulated depreciation	(18,950)	(84,532)	(18,950)	(55,326)
	39,948	31,349	14,948	28,583

9. PROPERTY, PLANT AND EQUIPMENT Continued

	Plant and Equipment	TOTAL
	$	$
Consolidated		
Gross Carrying Amount		
Balance at 30 June 2001	115,881	115,881
Additions	25,000	25,000
Disposals	(50,011)	(50,011)
Recoverable amount write-downs	(31,972)	(31,972)
Balance at 30 June 2002	58,898	58,898
Accumulated Depreciation / Amortisation		
Balance at 30 June 2001	84,532	84,532
Recoverable amount write-downs	(29,206)	(29,206)
Recoverable amount reversals	(42,682)	(42,682)
Depreciation expense	6,306	6,306
Balance at 30 June 2002	18,950	18,950
Net Book Value		
As at 30 June 2001	31,349	31,349
As at 30 June 2002	39,948	39,948
Company		
Gross Carrying Amount		
Balance at 30 June 2001	83,909	83,909
Additions	-	-
Disposals	(50,011)	(50,011)
Balance at 30 June 2002	33,898	33,898
Accumulated Depreciation / Amortisation		
Balance at 30 June 2001	55,326	55,326
Disposals	-	-
Recoverable amount reversals	(42,682)	(42,682)
Depreciation expense	6,306	6,306
Balance at 30 June 2002	18,950	18,950
Net Book Value		
As at 30 June 2001	28,583	28,583
As at 30 June 2002	14,948	14,948

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
9. PROPERTY, PLANT AND EQUIPMENT (Continued)				
Aggregate depreciation allocated, whether recognised as an expense or capitalised as part of the carrying amount of other assets during the year:				
Plant and equipment	6,036	10,819	6,036	10,632

10. PAYABLES

Current

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Trade creditors	96,513	35,641	96,513	35,641
Other creditor and accruals	142,110	70,588	142,104	70,588
	238,623	106,229	238,617	106,229

11. PROVISIONS

Current

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Provision for director termination	125,000	-	100,000	-
Employee entitlements	-	59,935	-	59,935
	125,000	59,935	100,000	59,935

Non- Current

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Employee entitlements	-	24,344	-	24,344
Aggregate employee entitlements liability	-	84,279	-	84,279
No of employees	4	4	4	4

12. OTHER FINANCIAL LIABILITIES

Non Current

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Unsecured:				
Loans from controlled entities	-	-	333,064	364,845

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
13. CONTRIBUTED EQUITY				
(a) Share capital: 107,038,316 (2001: 75,659,150) shares	15,455,684	14,112,971	15,455,684	14,112,971
Movement in ordinary share capital	-	-	-	-
Balance at beginning of year	14,112,971	14,112,971	14,112,971	14,112,971
Shares issued				
- 11,340,000 fully paid ordinary shares issued at 2.5¢ each	283,500		283,500	
- 13,039,166 fully paid ordinary shares issued at 6¢ each	782,350	-	782,350	-
- 7,000,000 fully paid ordinary shares issued at 5¢ each	350,000	-	350,000	-
Less: Share Issue Expenses	(73,137)	-	(73,137)	-
Balance at year end	15,455,684	14,112,971	15,455,684	14,112,971

Fully paid ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

14. RESERVES

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
General Reserve	1,315,402	1,315,402	1,315,402	1,315,402

The general reserve is used from time to time to transfer profits from retained earnings. There is no policy of regular transfer.

15. ACCUMULATED LOSSES

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Balance at beginning of financial year	(13,670,737)	(10,272,824)	(13,696,389)	(10,276,564)
Net Loss	(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
Balance at end of financial year	(15,032,299)	(13,670,737)	(15,032,293)	(13,696,389)

16. CONTROLLED ENTITIES

	Book Value of the Holding Company's Investment		Equity of the Holding Company		Class of Share	Country of Incorp	Contribution to Consolidated Entity Result	
	2002	2001	2002	2001			2002	2001
	$	$	%	%			$	$
Parent Entity:								
Latrobe Magnesium Limited	-	-		-	Ord	Aust	(1,335,904)	(3,419,825)
Subsidiaries of Rambora Technologies Limited:								
Money Management WA Pty Ltd	2	2		100	Ord	Aust	(200)	(200)
Gold Mines of WA NL	333,064	364,845		100	Ord	Aust	(25,458)	22,112

All controlled entities are subject to the ASIC Class Order relieving them from the requirement to produce audited financial statements.

Deed of Cross Guarantee
Rambora Technologies Limited, Money Management Pty Ltd and Gold Mines of WA Pty Ltd are parties to a Deed of Cross Guarantee which has been lodged with and approved by the Australian Securities and Investments Commission. Under the Deed of Cross Guarantee each of the above named companies guarantees debts of the other named companies.

The aggregate assets and liabilities of the above named entities relieved under the deed, and the aggregate net profits/(loss) after income tax for the years then ended (after eliminating intercompany investment and other intercompany transactions) are as follows:

	2002	2001
	$	$
Assets	25,000	3,160
Net (loss)/ profit after tax	(25,658)	21,912

17. COMMITMENTS

Mineral Tenement Leases
The consolidated entity has entered into an arrangement to dispose of all Tenements in a termination payment to one of the directors.

18. FINANCIAL REPORTING BY SEGMENTS

The consolidated entity operates predominantly in one industry within Western Australia. The principal activity of the consolidated entity is exploration for mineral deposits.

19. REMUNERATION OF DIRECTORS AND EXECUTIVES

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Total income paid or payable or otherwise made available, in respect of the financial year to all Directors of each entity in the consolidated entity, directly or indirectly, by the entities in which they are directors or by any related party.	272,125	242,000	257,035	242,000

The number of Directors of the Company whose total income from the Company and related parties falls within each successive $10,000 bands of income

	Consolidated 2002 No	Consolidated 2001 No	Company 2002 No	Company 2001 No
$0 - $9,999	1	-	1	-
$10,000 - $19,999	1	2	1	2
$20,000 - $29,999	-	1	-	1
$40,000 - $49,999	1	1	1	1
$90,000 - $99,999	1	-	1	-
$120,000 - $129,999	1	-	1	-
$150,000 - $159,999	-	1	-	1

	2002 $	2001 $	2002 $	2001 $
Aggregate remuneration of Australian based executive officers (including executive directors) of the consolidated entity and any related entities, and by Australian based executive officers (including executive directors) of the Company from the Company and other related entities, whose income is $100,000 or more.	121,000	152,000	106,000	152,000

The number of executives whose total income falls within the following bands:	No.	No.	No.	No.
$120,000 - $129,999	1	-	1	-
$150,000 - $159,999	-	1	-	1

20. DIRECTORS TERMINATION PAYMENTS

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
Aggregate retirement benefits paid to all directors of the company, by the company or by any related party	125,000	20,000	100,000	20,000
Aggregate retirement benefits paid to all directors of each entity in the economic entity, by the entities in which they are directors or by any related party	125,000	20,000	100,000	20,000

21. RELATED PARTIES

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

Transactions with and amounts receivable from and payable to directors of related parties or their director related entities which:

(a) occur within a normal employee, customer or supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect the entity would have adopted if dealing with the director or director related entities at arms length in the same circumstances;

(b) do not have the potential to adversely affect decisions about the allocations of scarce resources made by users of the financial report, or the discharge of accountability by the director's if disclosed in the financial report only by general description ; and

(c) are trivial or domestic in nature must be excluded from the detailed disclosures required by paragraphs 6.2 and 6.4. Such transactions and amounts receivable or payable shall be disclosed in the financial report by general description.

Controlled Entities

Information relating to controlled entities is set out in Note 16.

Directors and Director Related Entities

	Consolidated		Company	
	2002	**2001**	**2002**	**2001**
	$	**$**	**$**	**$**
The names of persons who were Directors of the Company at any time during the financial year are as follows: R J Bowden; J R V Money; D V Martino; K A Torpey; D O Paterson; C W Sylvester and R D Foster.				
J R V Money is a director of Griffin Vale Grazing Company Pty Ltd a company with which the consolidated entity has rented office facilities amounting to $25,307 (2001: 21,893).	25,307	21,893	25,307	21,893
R A Money is related to JRV Money and during the year received $127,082 including $45,000 as part of a termination payment for services provided to the Company in his capacity as an employee thereof. These payments were made on normal commercial terms and conditions.	127,082	-	127,082	-
R D Foster is a director of Minico Pty Ltd. During the year, the consolidated entity has paid geological consulting fees totalling $37,575 (2001 - $23,936) to Minico Pty Ltd.	37,575	23,936	37,575	23,936
D V Martino is a partner of Deloitte Touche Tohmatsu, an international accounting firm. During the year Deloitte Touche Tohmatsu provided the company with Taxation and Advisory services amounting to $124,318 (2001 - $155,097).	124,318	155,097	124,318	155,097
D O Patterson is an executive of Europacific Corporation. During the year Europacific provided to the consolidated entity, share placement and brokage services amounting to $70,346 (2001: $Nil)	70,346	-	70,346	-

21 RELATED PARTIES (Continued)

Information on the remuneration of Directors is set out in note 19.

As at 30 June 2002, the relevant interest of each Director in the equity capital of the company was:

	Shares Held Directly and Indirectly 2002	Options Held Directly and Indirectly 2002	Shares Held Directly and Indirectly 2001	Options Held Directly and Indirectly 2001
R J Bowden	1,775,000	400,000	1,675,000	-
J R V Money	-	-	7,788,718	-
D V Martino	-	-	700,000	-
R D Foster	3,012,849	3,600,000	1,012,849	-
D O Paterson	35,933,333	-	-	-
K A Torpey	65,333,334	-	-	-
C W Sylvester	65,685,834	-	-	-

Directors and their related entities acquired 169,052,601 (2001 – 1,341,700) ordinary shares and disposed of 8,488,718 (2001 – 170,000) ordinary shares in the Company on the same terms and conditions available to other shareholders.

Ownership Interests in Related Parties
Interest held in the following classes of related parties are set out in the following notes:

(a) Controlled Entities – Note 16.

22. CASH FLOW INFORMATON
RECONCILIATION OF CASH

(i)	Cash at Bank and Term Deposits	145,903	889,295	145,901	889,293
(ii)	Reconciliation of net cash inflow from operating activities to operating profit/(loss) after tax:				
	Operating profit after income tax	(1,361,562)	(3,397,913)	(1,335,904)	(3,419,825)
	Add/(less) non cash flows in operating loss:				
	Profit on disposal of plant and equipment	(15,421)		(15,421)	
	Depreciation	6,306	10,819	6,306	10,632
	Amortisation of website development costs	-	7,871	-	7,871
	Exploration and tenement expenditure written-off	103,722	24,412	103,722	24,412
	Bad debt expense	200	2,508,335	200	2,508,335
	Loss on write-down/off of plant and equipment	-	12,797	-	12,797
	Non cash transfer of share capital proceeds	225,000		225,000	
	Investment in Latrobe Magnesium	830,000		830,000	
	Change in Assets and Liabilities:				
	(Increase)/decrease in receivables and other current assets	(900,883)	2,492,570	(918,786)	2,514,669
	Decrease/(increase) in prepayments	5,202	(5,198)	5,202	(5,198)
	Increase/(decrease) in creditors	132,388	(13,823)	132,388	(13,823)
	Increase in provisions	15,721	(330,755)	15,721	(330,755)
	Net Cash Provided by / (used in) Operating Activities	(959,327)	1,309,115	(951,572)	1,309,115

23. STAND-BY ARRANGEMENTS AND UNUSED CREDIT FACILITIES

The consolidated entity has a $100,000 overdraft facility which at the date of this report had been unused. This facility is secured by a fixed and floating charge over the company's assets.

The consolidated entity does not have any other stand-by arrangement established with banks to provide funds or support facilities.

	2002 ¢	2001 ¢
24. EARNINGS PER SHARE		
Basic earnings per share (cents per share)	(1.58)	(4.49)
Diluted earnings per share (cents per share)	(1.58)	(4.49)
(a) Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	86,293,335	75,659,150
(b) Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive EPS	86,293,335	75,659,150

There is no dilutive effect on earnings per share.

25. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

Interest rate risk exposures

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market, interest rates and the effective weighted average interest rates for those financial assets and financial liabilities is set out below:

	Weighted Average Interest Rate (%)	Variable Interest Rate	Fixed Interest Rate Maturity Less Than 1 Year	1 to 5 Years	More Than 5 Years	Non-Interest Bearing	Total
2002							
Financial Assets							
Cash assets		145,903	-	-	-	-	145,903
Receivables		-	-	-	-	986,559	986,559
Other financial assets		-	-	-	-	99,527	99,527
Other		-	-	-	-	100,000	100,000
		145,903	-	-	-	1,186,086	1,331,989
Financial Liabilities							
Payables		-	-	-	-	238,623	238,623
		-	-	-	-	238,623	238,623

25. FINANCIAL INSTRUMENTS (Continued)

	Weighted Average Interest Rate (%)	Variable Interest Rate	Fixed Interest Rate Maturity Less Than 1 Year	1 to 5 Years	More Than 5 Years	Non-Interest Bearing	Total
2001							
Financial Assets							
Cash assets	4.49	889,295	-	-	-	-	889,295
Receivables		-	-	-	-	743,986	743,986
Other financial assets	4.25	-		29,045		15,974	45,019
Other		-	-	-	-	960	960
Total Financial Assets		889,295		29,045		760,920	1,679,260
Financial Liabilities							
Creditors		-	-	-	-	35,641	35,641
Accruals		-	-	-	-	70,588	70,588
Employee entitlements		-	-	-	-	59,935	59,935
Total Financial Liabilities		-	-	-	-	166,164	166,164

(b) Credit Risk

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

The consolidated entity does not have any material credit risk exposure to any single debtor or group of debtors, under financial instruments entered into by it.

(c) Net Fair Values of financial assets and liabilities

Valuation approach
Net fair values of financial assets and liabilities are determined by the consolidated entity on the following bases:

Recognised financial instrument
Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of contractual future cash flows on amounts due from customers (reduced for expected credit losses) or due to suppliers. Cash flows are discounted using standard valuation techniques at the applicable market yield having regard to the timing of the cash flows. The carrying amounts of cash assets, receivables, payables, bank loans and lease liabilities approximate net fair value.

	Consolidated 2002 $	Consolidated 2001 $	Company 2002 $	Company 2001 $
26. CONTINGENT LIABILITY				
Guarantees provided to bank in respect of mining properties	-	29,045	-	29,045

27. MATTERS SUBSEQUENT TO BALANCE DATE

a. On 7 August 2002, Directors announced that they had reviewed the Latrobe Magnesium Project pre-feasibility study and were pleased with its findings. This decision by Directors is the final condition required prior to implementing the matters approved by shareholders at 7 June 2002 General Meeting resulting in:

i. The issue of 196,000,000 fully paid ordinary shares on 29 August 2002 as consideration to complete the acquisition of 100% of the issued capital of Magnesium Investments Limited, the current holder of the Latrobe Magnesium Project.
ii. Confirmation on 23 August 2002 of the appointment of Messrs D O Paterson and C W Sylvester as Directors of the Company.
iii. The change of name of the Company to Latrobe Magnesium Limited becoming effective on 6 September 2002 with the issue of a Certificate of Registration on Change of Name by the Australian Securities & Investments Commission. The Company's new ASX Listing Code becoming LMG.
iv. The Company proceeding with the divestment of its exploration tenements.

Except for those matters referred to above, no other matter or circumstance had arisen since 30 June 2002 that has significantly affected or may significantly affect:

1. The consolidated entity's operations in future financial years; or
2. The results of those operations in future financial years; or
3. The consolidated entity's State of Affairs in future financial years.

Chartered Accountants
Business Advisers and Consultants

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF LATROBE MAGNESIUM LIMITED

We have audited the financial report of Latrobe Magnesium Limited for the financial year ended 30 June 2002, as set out on pages 16 to 36. The financial report includes the consolidated financial statements of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year. The company's directors are responsible for the financial report. We have conducted an independent audit of this financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's and the consolidated entity's financial position and performance as represented by the results of their operations and their cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit opinion

In our opinion, the financial report of Latrobe Magnesium Limited is in accordance with:

(a) the Corporations Act 2001, including:

(i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2002 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

Level 17
383 Kent Street
Sydney NSW 2000
PO Locked Bag Q800
QVB Post Office
Sydney NSW 1230
DX10225
Sydney Stock Exchange
T (02) 8297 2400
F (02) 9299 4445
E info@gtnsw.com.au
W www.grantthornton.com.au

Grant Thornton

INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF LATROBE MAGNESIUM LIMITED (CONT)

Inherent uncertainty over the recoverability of receivable from Paddington Gold Pty Limited and continuation as a going concern

Without qualification to the opinion expressed above, attention is drawn to the following matters.

As indicated in Note 6 to the financial statements, the company has instituted proceedings against Paddington Gold Pty Limited in the Supreme Court for outstanding royalty and interest of approximately $1,400,000 (net book value $743,986). The proceedings have been stayed for an Independent Expert to determine one aspect of the royalty dispute. Until this Expert determination has been completed the exact amount of the royalty receivable cannot be determined. At the date of this report the outcome is inherently uncertain.

As described in Note 1 (q) to the financial statements, if there are delays in the finalisation of this matter or if the final outcome is unfavourable to the company, the directors will need to secure additional funding in order to meet its planned feasibility study commitments. At the date of this report the directors are negotiating additional funding pursuant to a share placement.

Accordingly as a result of the matters noted above there is inherent uncertainty whether the company will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Grant Thornton

GRANT THORNTON
Chartered Accountants

A J Archer

A J ARCHER
Partner

Sydney 12 November 2002

ADDITIONAL INFORMATION

Additional information included in accordance with listing requirements of the Australian Stock Exchange Limited

SHAREHOLDING

(a) Distribution of Shareholders as at 25 September 2002

Size of Holding		Number of Holders	Shares Held	%
1 -	1,000	124	88,381	0.03
1,001 -	5,000	365	1,199,320	0.39
5,001 -	10,000	319	2,770,033	0.92
10,001 -	100,000	676	25,687,524	8.48
100,001 -	over	157	273,293,058	90.18
		1,641	303,038,316	100.00

There are 625 shareholders that hold less than a marketable parcel.

(b) Twenty largest shareholders as at 25 September 2002

Shareholder	Number of Ordinary Fully Paid Shares Held	% Interest
Emesco Agents Pty Limited <Magnesium Shareholders A/C>	99,960,000	32.99
Mr Christopher Sylvester & Mrs Jean Sylvester <Super Fund A/C>	32,365,834	10.68
Mr Kevin Torpey	32,013,334	10.56
Europacific Corporation Pty Limited <Robert A Donohue S/Fund A/C>	11,204,666	3.70
Mr William Brooks <Brooks Superannuation A/C>	9,139,000	3.02
Rimotran Pty Limited <David Paterson S/Fund A/C>	8,803,667	2.91
Rimotran Pty Limited <David Paterson Family A/C>	8,803,666	2.91
John Robert Venn Money	5,900,018	1.95
Magenta Vale Pty Ltd	3,813,200	1.26
Balmoral Custodians Pty Ltd	3,800,000	1.25
Home Unit Investments Pty Limited	3,201,333	1.06
Mr Rodney David Foster	2,000,000	0.66
Gimbells Pty Ltd <Gimbells Super A/C>	1,992,285	0.66
Mr Eric Hodges & Mrs Alison Hodges <General George S/F A/C 1>	1,900,000	0.63
Ocean Reef Developments Pty Ltd	1,666,666	0.55
W R Mobbs Superannuation Pty Ltd	1,645,400	0.54
Gwalia Estates Pty Ltd	1,575,000	0.52
Mr Gary Wilkinson	1,522,600	0.50
Mr Brian Gray Oam	1,200,000	0.40
Ms Clair Jennifer	1,200,000	0.40
	233,706,669	77.15

SHAREHOLDING (Continued)

(c) Substantial Shareholders

The substantial shareholders of the Company as defined by Section 708 of the Australian Corporations Act 2001:

	No of shares held	% interest
Emesco Agents Pty Ltd	99,960,000	32.99
Christopher Sylvester and Jean Sylvester	32,365,834	10.68
Kevin Torpey	32,013,334	10.56

VOTING RIGHTS

(a) at meetings of members each member entitled to vote in person or by proxy or attorney or, in the case of a member which is a body corporate, by representative duly authorised;

(b) on a show of hands every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote;

(c) on a poll every member entitled to vote and be present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is a holder.

AUDIT COMMITTEE

As at the date of this report the Company did not have an audit committee of the Board of Directors. There being only five Directors, all matters to be dealt with by an audit committee are dealt with by the Board of Directors.

RESTRICTED SECURITIES

There are 196,000,000 restricted securities on issue at the date of this report. These securities were issued following shareholder approval obtained at a General Meeting held on 7 June 2002 as consideration for the acquisition of the total issued capital of Magnesium Investments Pty Limited.