



Recoilless Technologies International Corp. Limited

*XXI Century Pioneer of Recoilless Technologies*

**2009 ANNUAL GENERAL MEETING  
STOCK EXCHANGE PRESENTATION  
28 JANUARY 2010**

After closing of the Annual General Meeting of Recoilless Technologies International Corp. Limited ('RTICL') on Thursday 28 January 2010 the Chair, Mr Geoffrey Morgan invited Mr Mark Simari from KPI Financial Group to provide RTICL Shareholders with an information session about the process and requirements to ensure a successful stock exchange listing on the Australian Stock Exchange.

Mr Simari has over 10 years experience in financial markets and corporate advisory, specializing in assisting small to medium companies with capital raisings, mergers and acquisitions, ASX listing and other corporate advisory type roles. He currently holds a Bachelor of Business (Accounting) and a Diploma of Financial Services. He is also a Managing Director of Paragon Care Limited and KPI Financial Group Pty Ltd.

*<Mr Simari provided Shareholders with a presentation to explain the listing process and requirements involved to ensure a successful listing on the Australian Stock Exchange. Shareholders were also provided the opportunity to ask questions after Mr Simari's presentation>*

*Key: Q: Question A: Answer S: Statement*

- Q. Is there a minimum percentage of shares that have to be allocated in the company?  
A. There is no actual minimum. The Australian Stock Exchange determines if the company qualifies for an ASX listing which includes having sufficient tradable stock. Given the proposed structure for RTI, I wouldn't expect tradeable stock will cause any issues.
- Q. Can you explain the conditions in step 2 of your presentation? For example net profit over the last 3 years?  
A. The first three points are either or. RTICL's most likely pathway of the three points would be number 1 being AUD\$2.0 million in net tangible assets (including amounts raised under IPO).
- Q. How close is RTICL to having 500 shareholders?  
A. RTICL currently has over 650 shareholders with a minimum investment of \$2000 each.  
A. This cannot be answered accurately as a pro forma share base will tell the end result.
- Q. How many points does RTICL satisfy of the 6 steps of satisfying ASX listing requirements?  
A. **Step 1 – Appoint Advisors** – Mark Simari is the first advisor RTICL has appointed. RTICL will be introduced to more advisors by Mark Simari in the most cost effective way.  
**Step 2 – Satisfying ASX Listing Requirements** – RTICL is not currently doing this. This is a process that RTICL will have to go through to ensure all requirements are met prior to listing.  
**Step 3 – Prepare and Lodge a Prospectus** – The process of lodging a Prospectus for RTICL is already 60-70% complete as RTICL has already had an open Prospectus, not a lot has changed it just requires updating.



**Step 4 – Apply to List on ASX** – In order to apply to list on the ASX you need to ensure steps 1 to 3 are completed

**Step 5 – Raise Capital Under the Prospectus** – In order to continue raising capital under the Prospectus RTICL can make an introduction to some stock brokers to sell RTICL's story and raise further capital.

**Step 6 – ASX Listing** – RTICL obviously has not satisfied this step as yet.

- Q. Does it matter where the shareholders are from? Can they be from USA etc?  
A. It is preferable to have majority of shareholders in Australia which would extend to the shareholders spread. The ASX is wary of overseas investors listing on the ASX as they have concerns about clean markets and related party transactions. If it were likely that the shareholder spread was made up solely of USA residents, and then we would seek clarification from the ASX, given the existing shareholdings of RTI, then this is an unlikely event. If the opportunity to raise funds in the USA is available, then it should be explored further notwithstanding the shareholder spread criteria.
- Q. How is equity transferred at listing and what currency?  
A. Whatever shares you hold now will be the same amount as when RTICL lists unless there is a change in the structure of the shareholding with RTI. If you have 1000 shares now you will have 1000 shares at the time of listing.
- Q. Do you have any idea what the price of the shares may be?  
A. In order to list RTICL will have to have an independent valuation of the technology which will determine what the company is worth. This then enables RTICL to decide what they price they need to raise the money at in order for a successful listing.
- Q. Could the shares open at 3, 5 or 10 dollars?  
A. Anything is possible. It all depends on the investor market and what you do after the company lists is also important.
- Q. Can the shares list at less than \$1?  
A. Anything is possible. But the Board of Directors will determine what the company lists for.
- Q. What is the cost from the start to getting listed?  
A. Generally 5-8% of what you raise.
- Q. What would be the time frame to list?  
A. It can potentially be done within 3 to 4 months, but more realistically is 6-12 months. It all depends on occurrences, delays etc.
- Q. Does the Board of RTICL know what they would like to list at?  
A. The listing price is not as important as you think. What the company is worth is more important, along with the independent valuation..  
A. The Board's intention is to build strength and value in the company for the best result possible.
- Q. Once the independent valuation is complete can you perceive the company to list for under \$1 per share?  
A. The Board will try to build the maximum value for the company that we can by having the strength in the technology. But it is too early to say a figure at this stage.



- S. There have been negotiations made with the Directors of RTICL regarding the value of the technology on its own. There have been a lot of negotiations where large investors have offered to assist in listing RTICL by eliminating all of the small investors of RTICL. But the Board is not willing to do to the many small investors of the company as they have a loyalty to these small investors as they are the reason RTICL is still of existence.
- Q. If RTICL is to list in Poland, how will that affect RTICL to list in Australia? Is it better to go on the stock exchange in Poland first?
- A. There is no benefit either way. Listing in Poland will not restrict RTICL to list in Australia. If the listing in Poland goes on to the Balance sheet of RTICL this will bring value to the company but RTICL is still required to refer back to the steps for listing on the ASX.
- Q. Will the capital raised in Poland stay in Poland?
- A. No this capital will also be provided to RTICL. The capital raised in Poland will cover RTICL with 2 or 3 or 4 projects, not just the projects over in Poland. The balance sheet will be the same in both countries. The only way the Polish funds will not be available in Australia is if the New Connect Market restricts funds being transferred to Australia, then RTICL will not be able to use the capital raised in Poland in Australia.
- S. The research and development is going to stay in Australia. Further advancements can occur in Poland but the research and development will stay in Australia.
- Q. Can you use the independent valuation from the Polish listing to list here in Australia?
- A. It will depend on who has completed the valuation for the Polish listing. If it is local to the Poland market, then it is unlikely that it can be used.
- Q. If RTICL commences manufacturing in Poland, can you use those profits in Australia?
- A. No, everything will be commencing in Australia. RTICL cannot work on projects outside of the company unless it is with the Department of Defence.
- Q. Will RTICL promote itself in the media and magazines etc prior to listing?
- A. Yes RTICL will promote itself in the media prior to listing. The Board will review this procedure closer to the date to determine how exactly RTICL will promote itself.

Signed in acceptance

Mr Geoffrey Morgan  
Company Secretary  
1 March 2010