



RECOILLESS TECHNOLOGIES INTERNATIONAL CORP. LIMITED

XXI Century Pioneer of Recoilless Technologies

ACN 092 154 857

NEWSLETTER

22 NOVEMBER 2006

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1. Joint Commercialisation Agreement

It was announced at RTI's 17 November 2006 Annual General Meeting of Shareholders that a joint commercialisation agreement between RTI and Tactical Aerospace Group (TAG) was signed on 14 November 2006.

TAG situated in California, USA, has been operating successfully for almost 10 years and employs approximately 40 personnel to assist in the design and manufacture of Unmanned Aerial



Vehicle Systems. An Unmanned Aerial Vehicle (UAV) is an aircraft that is remotely controlled and usually smaller than full scale. Additional information on TAG can be found by visiting the website www.tacticalaerospacegroup.com.

The scope of the joint commercialisation agreement between RTI and TAG is for the two parties to collaborate to initially incorporate a single-shot 7.62mm caliber



recoilless weapon prototype to a UAV selected by TAG for the purposes of making one or more conceptual demonstrations to potential end-users and research organisations and to publicise the results with a view to sourcing development funding that will facilitate further R&D and the commercialisation of weaponised UAVs and possibly other special projects to be developed collaboratively by the Parties.

The signing of RTI's first joint commercialisation agreement is a significant advancement in the process of commercialising the Recoilless Technology and should pave the way for the execution of additional agreements.

2. Appointment of Chief Executive Officer

In addition to the announcement of the first Joint Commercialisation Agreement with TAG at the Annual General Meeting, it was also announced that Major General Peter J Dunn AO (Retd.) will be appointed the Chief Executive Officer effective 1 February 2007. Major General Dunn will lead RTI in its program of the commercialisation of the Recoilless Technology.

Major General Dunn has a history of proven performance at the executive level and will bring to RTI strong leadership and management skills together with the ability to deliver on RTI's commercial objectives.



Major General Dunn enjoyed a distinguished career as an artillery officer in the Australian Army and has gained further extensive experience in both the public and private sectors since his retirement from the Army. Major General Dunn has been associated with RTI for over a year as a strategic advisor and as a member of the RTI Board.

The Board and RTI personnel are excited about this appointment and look forward to the energy and leadership that Major General Dunn will bring to RTI.

3. United Kingdom Ministry of Defence

RTI has been invited by the United Kingdom Ministry of Defence (UK MoD) to present the Recoilless Technology in London in mid December 2006. The Recoilless Technology offers a key capability for the UK MoD Future Rapid Effects System (FRES) program. The FRES is the MoD program to provide the British Army with a family of medium weight, network enabled, air deployable armoured vehicles.

The UK MoD has expressed interest in the potential for a 120mm Recoilless Gun to be fitted to a platform such as the Chieftain Tank.

4. Travel to Europe

As two RTI members will be traveling to the UK in December, it was seen as the perfect opportunity to also travel to selected European countries. Therefore



advanced talks will also be held throughout Europe in December with potential business partners.

5. Annual Financial Report

The audited Financial Report for the financial year ended 30 June 2006 is available for viewing and downloading from the RTI website www.rticl.com/pdf/financialreport2006.pdf. Printed copies of the Financial Report can also be requested by contacting RTI.

6. Supplementary Prospectus

On the 22 November 2006 RTI released a Supplementary Prospectus and lodged this Supplementary Prospectus with the Australian Securities and Investments Commission on the same date. This Supplementary Prospectus was prepared to provide additional updated disclosure information to investors in relation to the Prospectus and includes information on the joint commercialisation agreement between RTI and TAG, the appointment of a CEO and the annual financial report.

A copy of the Supplementary Prospectus dated 22 November 2006 can be downloaded from the RTI website. A copy of this document will also be included within all printed copies of the RTI Prospectus distributed on or after the date of the Supplementary Prospectus.

7. Prospectus Closing Date

Prospective investors are reminded that the RTI Prospectus dated 3 November 2005 will close on **Sunday 3 December 2006** unless Maximum Subscription is received prior. Where applications are received after the Closing Date or after the Maximum Subscription has been reached, application moneys will be returned to the prospective applications without interest as soon as practicable.

Investors can only apply for shares using the Application Form accompanying the Prospectus. It is recommended that if you intend on investing in RTI that you ensure RTI receives your completed Application Form and accompanying moneys by **Sunday 3 December 2006**.

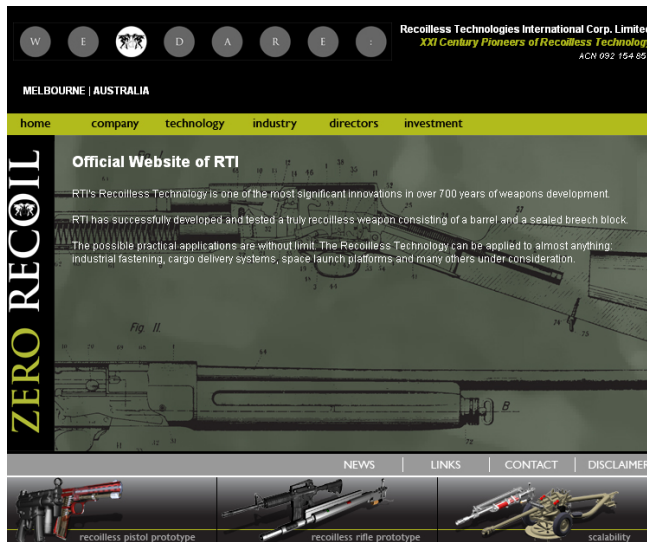
A printed copy of the Prospectus and accompanying Supplementary Prospectuses can be obtained by contacting RTI. Alternatively a copy can be downloaded by visiting www.rticl.com/prospectus/.

8. Technology Demonstration

RTI will be conducting a final technology demonstration, before the closing of the Prospectus, on Wednesday 29 November 2006 commencing at 6.00pm at the head offices in Keysborough, Victoria. If you are interested in attending or you have family, friends or associates interested in attending, please contact RTI to secure your place.



9. RTI Website



The RTI website (www.rticl.com) has recently been updated to contain additional information including news items, Directors' report and 3D animated recoilless prototypes. RTI is undertaking every possible effort to update the website on a regular basis to enable Shareholders the opportunity to be regularly informed as RTI progresses towards commercialising the Recoilless Technology.

If you have any suggested improvements to the RTI website or topics that you would like to see addressed on the website please make these available to RTI.

RTI will be closing for the Christmas period on Thursday 21 December 2006 and returning on Monday 8 January 2007. Contact can still be made by telephoning (03) 9769 0770.

The RTI Board and staff thank you all for your continued support during this most exciting year.

We wish you and your families a very safe and Merry Christmas and a Prosperous New Year. We look forward to more exciting news in the coming year.



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