

## Appendix 4E

### Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

#### 1 Details of the reporting period and the previous corresponding period.

Reporting Period	Financial Year ending	30 June 2007
Previous Corresponding Period	Financial Year ending	30 June 2006

#### 2 Results for announcement to the market

##### 2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.

Revenue from continuing operations	\$'000	8,708
Revenue from discontinuing operations	\$'000	1,357
Total revenue in reporting period	\$'000	10,065
Previous corresponding period	\$'000	16,161
Percentage change up or down from the previous corresponding period of revenue from ordinary activities	%	-37.72%

##### 2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.

Profit (loss) from continuing operations after tax	\$'000	291
Profit (loss) from discontinued operations after tax	\$'000	731
Total Profit (Loss) in Reporting Period	\$'000	1,022
Previous Corresponding Period	\$'000	(1,527)
Percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.	%	166.93%

##### 2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

Profit (loss) from continuing operations after tax	\$'000	291
Profit (loss) from discontinued operations after tax	\$'000	731
Reporting Period	\$'000	1,022
Previous Corresponding Period	\$'000	(1,527)
Percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.	%	166.93%

##### 2.4 The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.

No dividends proposed relating to the reporting period

## Appendix 4E

### Preliminary final report

Period ending on or after 30 June 2007

### Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

#### 2.5 *The record date for determining entitlements to the dividends (if any).*

Not applicable

#### 2.6 **A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.**

In the half year report issued in February 2007, the directors advised that the operational review and restructure of the group had been completed and implemented. Corporate overheads had been reduced to sustainable levels and the cash position for the group was improving. It was also expected that the aggressive milestones set for the period by the new Board would be achieved and we were confident that the first acquisition would be completed by 30 June 2007. In addition, it was expected that profitability for the group would be sustained for the full year.

The directors are pleased to report that Sirius has made a full year pre tax profit of \$0.2 million. This includes proceeds from the sale of the SCS division and discontinued operations. The first phase of the Strategic Plan, which was completed and implemented in August 2006, was achieved and Sirius is on track to meet all the aggressive milestones set for the next 12 months.

The Board previously acknowledged that the existing business lacked sufficient scale to achieve the level of profitability required of a publicly listed company. As a result, an aggressive acquisition-led growth strategy was developed so that scale and profit growth could be accelerated and reduce pressure on the smaller business units to expand at an unrealistic rate.

The transformation of the new Sirius Group is well under way. The focus will be for Sirius to become a leading software solutions and services group, owning and operating ICT businesses. All business units must own their own IP and software, have a large national client base, have recurrent revenue of at least 30% of the current top line revenue and provide software solutions in highly complex areas to automate complex business processes. The business units should promote the use of technology to solve complex business issues and provide a good return on investment to their customers. All business units must have a mix of consulting and implementation revenue, software sales and maintenance income under contract to continue to support its customers.

The adoption of a federated hub and spoke model was implemented across the group which will involve Sirius, with its small corporate team, acting as a holding company (hub) for a number of subsidiaries providing software and services to large enterprises and government. Sirius will provide the over-arching corporate services such as funding, human resources, accounting and general IT support under the strategic leadership of the Group Managing Director.

All current business units are profitable and are focused on meeting the needs of large enterprises, which rely on professional service organisations to solve business problems in niche areas, by professional subject matter experts. The company continues to serve a loyal and well-established customer base that includes companies like Qantas, ANZ Bank, Royal Prince Alfred Hospital, IAG Australia Ltd, Coles Group Limited, Westpac Bank, Crown Limited, St George Bank, AMP and others.

In March 2007, the established Phoneware business expanded into the Telecom Expense Management sector. In the past, Phoneware had been targeting the telephone "call accounting" market, which involved supplying software and services to the fixed line telephone market. It is a market leader with a market share of over 40%. Phoneware is now seeking to leverage its leadership position into the much broader Telecommunication Expense Management systems market, which is many times larger, and covers all forms of telecommunications including fixed and mobile voice, data, internet and wireless. In Australia, this market is in its early stages of its development and Phoneware has a first mover advantage.

Phoneware still services a loyal active customer base of over 900 customers both nationally and internationally. During the 2006/07 year, the number of customers that have adopted the new VXT solution as a migration from the older type CADS system increased from 27 to 51. New customers include household names like, Deutsche Bank, Coca Cola Amatil, Members and Education Credit Union, Village Roadshow Limited, The Herald and Weekly Times, Channel 7, Australian Consolidated Press and many others.

Revenue from continuing operations increased from \$7.3 million in 2005/06 to \$8.7 million in 2006/07. The group has exited from all low margin business. The company recorded an EBITDA profit of \$0.63 million, compared to a \$0.7 million loss the previous year. The EBITDA profit largely reflected the gain following the divestment of the SCS business during the year.

Phoneware still services a loyal active customer base of over 900 customers both nationally and internationally. During the 2006/07 year, the number of customers that have adopted the new VXT solution as a migration from the older type CADS system increased from 27 to 51. New customers include household names like, Deutsche Bank, Coca Cola Amatil, Members and Education Credit Union, Village Roadshow Limited, The Herald and Weekly Times, Channel 7, Australian Consolidated Press and many others.

Revenue from continuing operations increased from \$7.3 million in 2005/06 to \$8.7 million in 2006/07. The group has exited from all low margin business. The company recorded an EBITDA profit of \$0.63 million, compared to a \$0.7 million loss the previous year. The EBITDA profit largely reflected the gain following the divestment of the SCS business during the year.

## **Appendix 4E**

### **Preliminary final report**

**Period ending on or after 30 June 2007**

### **Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330**

#### **Company Outlook**

Most of the costs of implementing the new hub and spoke operating model and the relaunch and re-branding of Phoneware to the Telecom Expense Management sector were absorbed in the 2006/2007 financial year. With these costs behind us, we expect that the company's operating profit will continue to increase in the 2007/08 financial year. The company will remain cashflow positive during the year and cash reserves should continue to increase.

The integration and transition costs for the acquisition of Infomaster will be kept to a minimum, as the business will operate standalone except for corporate HR, Accounting and Finance services provided by Sirius. Efficiencies will be gained as part of this process.

This is a very positive time for Sirius as it progresses through the next stage of its strategic plan and acquisition-led growth strategy in the software and services sector.

The Board and Management have a positive outlook, are united in the strategy and are committed to continue to rebuild shareholder wealth.

The new Phoneware is expected to continue to penetrate the market with its VXT customer base and a target of a further 50 customers has been set for the next 12 months. The large, high-end solution sourced from Tangoe Inc, will ensure that some of the pilot projects costs already absorbed with large customers in the last 12 months will start to bear some fruit.

#### **Post Balance Date Events (Post 30 June 2007)**

On 22 June 2007 Sirius executed a share sale agreement for the 100% purchase of the issued capital of IFMA Pty Ltd (Infomaster). Due diligence had been completed and Sirius was well advanced in achieving the first major milestone of its acquisition led growth strategy. Infomaster provides innovative software and consulting services to Local and State Government and large corporates. Infomaster provides specialist solutions for Asset management, Spatial technologies and E-planning. All software services are based on Infomaster owned intellectual property.

In August 2007, the company completed a rights issue for the issue of 45,907,500 new shares at 5 cents to raise \$2.3 million before costs. The funds raised were used to complete the purchase of the Infomaster business. The issue was successful and was well supported by the current shareholder base.

On 22 August 2007, Sirius completed the purchase of Infomaster with the transaction being effective from 1 July 2007. It is expected that Infomaster, in the next 12 months, will be earnings accretive to the group, cashflow positive and increase the top line revenue of the Sirius group by a further \$5 million.

The final purchase price paid after final adjustments and set off was \$2.99 million. This was well below the price entered into on 22 June 2007 of \$3.2 million. The consideration paid was for \$2.89 million in cash and \$0.10 million in scrip. The ANZ Bank has continued to support the group and has assisted the funding of the acquisition by way of \$1.1 million bank loan to Sirius.

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

3 *An income statement together with notes to the statement, prepared in compliance with AASB 101.*

### Income Statement

For the year ended 30 June 2007

	Notes	Consolidated 2007 \$'000	2006 \$'000
<b>Revenue from continuing operations</b>	1	<b>8,708</b>	7,336
Cost of goods sold		(2,021)	(320)
Facilities management operational leases		(328)	(163)
Telecommunication carrier costs		(337)	(256)
Employee benefits and related expenses		(4,640)	(5,157)
Occupancy expenses		(546)	(772)
Travel, accommodation & entertainment		(186)	(208)
Professional Fees - (non Director related)		(227)	(220)
Insurance		(143)	(190)
Finance costs	2	(29)	(30)
Other expenses from operating activities	2	(268)	(859)
Marketing		(82)	-
Depreciation and amortisation expenses	2	(430)	(679)
<b>Profit (loss) from continuing operations before income tax expense</b>		<b>(529)</b>	(1,518)
Income tax benefit/(expense)	3	<u>820</u>	<u>(9)</u>
<b>Profit (loss) from continuing operations</b>		<b>291</b>	(1,527)
Profit (loss) from discontinued operations	5	731	-
<b>Net profit (loss) attributable to members of Sirius Telecommunications Limited</b>		<b>1,022</b>	(1,527)
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		<u><u>1,022</u></u>	<u><u>(1,527)</u></u>

*The above income statement should be read in conjunction with the accompanying notes*

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

- 4 *A balance sheet together with notes to the statement. The balance sheet may be condensed but must report as line items each significant class of asset, liability, and equity element with appropriate sub-totals.*

### Balance Sheet

As at 30 June 2007

	Notes	Consolidated	
		2007	2006
		\$'000	\$'000
<b>Current Assets</b>			
Cash and Cash Equivalents		166	214
Trade and Other Receivables		1,193	2,319
Inventories		83	59
Other		211	241
Assets classified as held for sale		-	817
<b>Total Current Assets</b>		<u>1,653</u>	<u>3,650</u>
<b>Non Current Assets</b>			
Tax Assets		820	-
Other Financial Assets		-	-
Property Plant & Equipment		824	573
Intangible Assets		513	-
<b>Total Non Current Assets</b>		<u>2,157</u>	<u>573</u>
<b>TOTAL ASSETS</b>		<u>3,810</u>	<u>4,223</u>
<b>Current Liabilities</b>			
Trade and Other Payables		1,344	2,266
Borrowings		-	-
Other		775	784
Liabilities classified as held for sale		-	486
<b>Total Current Liabilities</b>		<u>2,119</u>	<u>3,536</u>
<b>Non Current Liabilities</b>			
Provisions		173	205
<b>Total Non Current Liabilities</b>		<u>173</u>	<u>205</u>
<b>TOTAL LIABILITIES</b>		<u>2,292</u>	<u>3,741</u>
<b>NET ASSETS</b>		<u>1,518</u>	<u>482</u>
<b>Equity</b>			
Contributed Equity		7,779	7,779
Accumulated Losses		(6,275)	(7,297)
Reserves		14	-
<b>TOTAL EQUITY</b>		<u>1,518</u>	<u>482</u>

*The above balance sheet should be read in conjunction with the accompanying notes*

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

- 5 a) *A statement of changes in equity together with notes to the statement. The statement of changes in equity may be condensed but must comply with the disclosure requirements of AASB 101*

### Statement of Changes in Equity For the year ended 30 June 2007

	Notes	Consolidated	
		2007 \$'000	2006 \$'000
Total equity at the beginning of the financial year		<u>482</u>	<u>2,009</u>
Profit/(Loss) for the financial year		1,022	(1,527)
Movement in share options reserve		14	-
Total equity at the end of the financial year		<u><u>1,518</u></u>	<u><u>482</u></u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

- 5 *A cash flow statement together with notes to the statement. The cash flow statement may be condensed but must report as line items each significant form of cash flow and comply with the disclosure requirements of AASB 107 Cash Flow Statements, or for foreign entities, the equivalent foreign accounting standard.*

### Cash Flow Statement For the year ended 30 June 2007

	Notes	Consolidated	
		2007 \$'000	2006 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		10,244	19,598
Payments to suppliers and employees (inclusive of GST)		<u>(10,878)</u>	<u>(19,028)</u>
		(634)	570
Interest received		17	6
Finance costs		(29)	(30)
Income taxes paid		-	(9)
<b>Net cash inflow from operating activities</b>		<u>(646)</u>	<u>537</u>
<b>Cash flows from investing activities</b>			
Payment of pre-acquisition costs		(311)	-
Proceeds from sale of discontinued operations		1,119	-
Payments for development costs		(135)	-
Payments for property plant and equipment		<u>(75)</u>	<u>(211)</u>
<b>Net cash inflow/(outflow) from investing activities</b>		<u>598</u>	<u>(211)</u>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		-	(850)
<b>Net cash inflow/(outflow) from financing activities</b>		<u>-</u>	<u>(850)</u>
<b>Net increase/(decrease) in cash held</b>		(48)	(524)
Cash at the beginning of the financial year		214	738
<b>Cash at the end of the financial year</b>		<u>166</u>	<u>214</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

## Appendix 4E

### Preliminary final report

Period ending on or after 30 June 2007

### Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

Notes to Sections 3, 4 & 5.

1. Revenue	Notes	Consolidated	
		2007	2006
		\$'000	\$'000
<b>Revenue</b>			
Sales of goods		428	914
Services		<u>8,263</u>	<u>6,416</u>
		<u>8,691</u>	<u>7,330</u>
<b>Other Revenue</b>			
Interest received		<u>17</u>	<u>6</u>
<b>Revenue from continuing operations</b>		<u>8,708</u>	<u>7,336</u>
<b>Revenue from discontinuing operations</b>		<u>1,357</u>	<u>8,825</u>
<b>Total Revenue</b>		<u><u>10,065</u></u>	<u><u>16,161</u></u>
<b>2. Operating profit (loss)</b>		Consolidated	
		2007	2006
		\$'000	\$'000
<b>Net profit (loss) and expenses</b>			
Profit (loss) before income tax includes the following specific expenses:			
Depreciation			
Plant and equipment		<u>413</u>	<u>815</u>
Amortisation			
Leasehold improvements		-	5
Plant and equipment under finance lease		17	12
Deferred software development		-	-
Total amortisation		<u>17</u>	<u>17</u>
Other charges against assets			
Bad and doubtful debts		15	78
Provision for the diminution of asset carrying values		<u>-</u>	<u>-</u>
		<u>15</u>	<u>78</u>
Net loss on disposal of fixed assets		<u>107</u>	<u>391</u>
Finance costs			
Interest and finance charges paid/payable		<u>29</u>	<u>30</u>
Rental expense relating to operating leases			
Minimum lease payments		<u>874</u>	<u>1,148</u>

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

Notes to Sections 3, 4 & 5.

### 3. Income Tax

	Consolidated 2007 \$'000	2006 \$'000
--	--------------------------------	----------------

- a) The income tax expense for the financial year differs from the amount calculated on the profit (loss). The differences are reconciled as follows:

Profit (loss) from ordinary activities before income tax expense	<u>202</u>	<u>(1,518)</u>
Income tax calculated @ 30%	61	(455)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income - Sundry items	-	15
Deferred tax asset on losses not previously brought to account	(691)	-
Deferred tax asset on temporary differences now brought to account	(190)	449
Income tax expense/(benefit)	<u>(820)</u>	<u>9</u>

- b) Sirius Telecommunications Limited and its subsidiaries have consolidated for taxation purposes.

The deferred tax asset relating tax losses and timing differences brought to account of approximately \$820,000 will only be obtained if:

- (i) The consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deduction for losses to be realised;
- (ii) the consolidated entity continues to comply with the conditions for deductibility imposed by tax legislation; and
- (iii) no changes in tax legislation adversely affect the consolidated entity in realising the benefits from the deduction for the tax losses.

**Appendix 4E**

**Preliminary final report**

**Period ending on or after 30 June 2007**

**Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330**

*Notes to Sections 3, 4 & 5.*

**4. Accumulated losses**

	Consolidated	
	2007	2006
	\$'000	\$'000
Accumulated losses at the beginning of the financial year	(7,297)	(5,770)
Net loss attributable to members of Sirius Telecommunications Limited	1,022	(1,527)
Accumulated losses at the end of the financial year	<u>(6,275)</u>	<u>(7,297)</u>

## Appendix 4E

### Preliminary final report

Period ending on or after 30 June 2007

### Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

Notes to Sections 3, 4 & 5.

#### 5. Discontinued operations

##### a) Description

On 30 September 2006, Sirius Telecommunications Limited disposed of its division, Sirius Converged Solutions, which carried out its IP telephony & unified messaging operations.

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

##### b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the period 1 July 2006 to 30 September 2006, being the date of disposal.

	Consolidated	
	2,007	2,006
	\$'000	\$'000
Revenue	1,357	8,825
Expenses	(1,683)	(8,825)
Profit/(loss) before income tax	(326)	-
Income tax expense	-	-
Profit/(loss) after income tax of discontinued operations	(326)	-
Gain on sale of division before income tax	1,057	-
Income tax expense	-	-
Gain on sale of division after income tax	1,057	-
Profit/(loss) after income tax of discontinued operations	731	-
Net cash inflow from operating activities	277	1,343
Net cash inflow (outflow) from investing activities	1,119	(21)
Net cash (outflow) from financing activities	-	(850)
Net increase in cash generated by the division	1,396	472

##### c) Carrying amount of assets and liabilities

The carrying amounts of assets and liabilities as at 30 September 2006 were:

	Consolidated	
	2,007	2,006
	\$'000	\$'000
Inventories	-	46
Other current assets	-	149
Property, plant and equipment	34	622
Total assets	34	817
Other payables	-	263
Other current liabilities	-	210
Provision for employee benefits	-	-
Provision for employee benefits	23	13
Total liabilities	23	486
Net assets	11	331

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

Notes to Sections 3, 4 & 5.

### 5. Discontinued operations (continued)

#### d) Details of the sale of the division

	Consolidated	
	2,007	2,006
	\$'000	\$'000
Consideration received or receivable:		
Cash	1,200	-
Adjustments to purchase price	(81)	-
<b>Total assets</b>	<u>1,119</u>	<u>-</u>
Carrying amount of net assets sold	(11)	-
Costs associated with sale of division	(51)	-
<b>Gain on sale before income tax</b>	<u>1,057</u>	<u>-</u>
Income tax expense	-	-
<b>Gain on sale after income tax</b>	<u><u>1,057</u></u>	<u><u>-</u></u>

## Appendix 4E

### Preliminary final report

Period ending on or after 30 June 2007

### Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

- 6** *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable and (if known) the amount per security of foreign sourced dividend or distribution.*

No payments made.

- 7** *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

No plans approved.

- 8** *A statement of retained earnings showing movements.*

See Statement of Changes in Equity

- 9** *Net tangible assets per security with the comparative figure for the previous corresponding period.*

Reporting Period	Cents	2.19
Previous Corresponding Period	Cents	1.10

- 10** *Details of entities over which control has been gained or lost during the period.*

- 10.1** *Name of the entity.*

Not applicable

- 10.2** *The date of the gain or loss of control.*

Not applicable

- 10.3** *Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.*

Not applicable

## Appendix 4E

**Preliminary final report**

**Period ending on or after 30 June 2007**

**Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330**

**11** *Details of associates and joint venture entities including the following.*

**11.1** *Name of the associate or joint venture entity.*

Not applicable

**11.2** *Details of the reporting entity's percentage holding in each of these entities.*

Not applicable

**11.3** *Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.*

Reporting Period	\$'000	<table border="1"><tr><td>N/A</td></tr></table>	N/A
N/A			
Previous Corresponding Period	\$'000	<table border="1"><tr><td>N/A</td></tr></table>	N/A
N/A			

**12** *Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position.*

Refer to explanatory notes below.

**13** *For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).*

Not applicable

## Appendix 4E

Preliminary final report

Period ending on or after 30 June 2007

Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330

**14** *A commentary on the results for the period. The commentary must be sufficient for the user to be able to compare the information presented with equivalent information for previous periods. The commentary must include any significant information needed by an investor to make an informed assessment of the entity's activities and results, which would include but not be limited to discussion of the following.*

**14.1** *The earnings per security and the nature of any dilution aspects.*

	Consolidated 2007 Cents	2006 Cents
Basic earnings per share (continuing operations)	2.22	(3.3)
Diluted earnings per share (continuing operations)	(i)	(i)
<b>Weighted average number of shares used as the denominator</b>		
Weighted average number of shares used as the denominator in calculating basic earnings per share	45,907,500	45,907,500
<b>Diluted Earnings per share</b>		
Weighted average number of shares used as the denominator in calculating diluted earnings per share	(i)	(i)

(i) Not materially different to basic earnings per share

**14.2** *Returns to shareholders including distributions and buy backs.*

None made

**14.3** *Significant features of operating performance.*

Refer to section 2.6

**14.4** *The results of segments that are significant to an understanding of the business as a whole.*

### Segment information

The consolidated entity and all its controlled entities operate in the telecommunications industry and is considered by the Board to operate within a single segment of that industry, being the field of Managed Services.

The activities of the consolidated entity are carried out wholly from within the Australasian region which is considered by the Board to represent one geographical market.

**14.5** *A discussion of trends in performance.*

Refer to section 2.6

**Appendix 4E**

**Preliminary final report**

**Period ending on or after 30 June 2007**

**Sirius Telecommunications Limited and Controlled Entities ACN 94 050 240 330**

- 14.6** *Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified.*

Refer to section 2.6

- 15** *A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed*

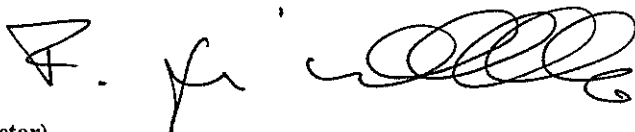
This report is based on accounts that are in the process of being audited.

- 16** *If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification.*

No change anticipated from the results reported.

- 17** *If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification.*

No dispute or qualification known at the date of lodgement of this report.



(Director)

FRANCESCO LICCIARDELLO

Print Name

Date 30 AUGUST 2007