Condensed Consolidated Interim Financial Report for the half year ended 31 December 2008

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Condensed consolidated interim financial report for the half-year ended 31 December 2008

Directors' report

The Directors of Green Rock Energy Limited ("the Company") submit herewith the condensed consolidated financial report for the half-year ended 31 December 2008. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Names of directors

The names of the Directors of the Company during and since the end of the half-year are:

Name	
Adrian Larking	Managing Director
Alan Knights	Executive Director
Jörg Baumgärtner	Non-Executive Director
Scott Spencer	Non-Executive Director
Richard Beresford	Non-Executive Director (Appointed 30 September 2008)

Directors have been in office for the entire period to the date of this report unless otherwise noted.

Review of operations

During the half year under review the Company achieved the following:

Olympic Dam Geothermal Project

- **Design of the two deep evaluation wells commenced**

  Design of the two deep evaluation wells and associated water circulation testing commenced at the Olympic Dam Geothermal Energy Project. The two wells to be drilled near to BHP Billiton's mining operation and the high voltage transmission line will be designed to create a sub-surface heat exchanger and prove a commercial circulation system to recover heat from the hot granites for power generation.

  Drilling will require procurement of a suitable drill rig, and the finalisation of a farm-in joint venturer. Drilling of the wells should commence in 2009.

- **Olympic Dam Inferred Geothermal Resource Estimation**

  An Inferred Resource of a specific 460 km² Area of Interest at the Olympic Dam Geothermal Energy Project was estimated.

  Sinclair Knight Merz Limited (SKM) have estimated the stored heat in the Area of Interest to be 120,000 PJ or 143 PJ (thermal) per km³, relative to a 100°C base temperature. The 460 km² Area of Interest is part Green Rock Energy's 2,899 km² of Geothermal Exploration Licences at Olympic Dam, and covers the Company's initial development area at Olympic Dam.

  SKM noted that only about 3% of the stored energy will have to be recovered to generate a constant output of 400 MWe over a 30 year project life, based on assumptions as to energy conversion efficiency using typical commercially available binary plant as stated in the report.

- **High heat flow expanded**

Modelling of surface heat flows from holes drilled into granite within the Company's licence areas on the east side of the Olympic Dam mine showed similar elevated surface heat flows as found in Blanche No 1 drilled into granite on the west side of Olympic Dam. Heat flows ranging from 85mW/m2 to 100mW/m2 were determined from the new measurements. These thermally anomalous granites within the Company's geothermal licence areas are outside the Area of Interest where the Company has reported Inferred Resources of geothermal energy of 120,000 PJ.

Other South Australian Activities

- **Eleven Geothermal Exploration Licences (GELs) in the Great Artesian Basin**

Green Rock Energy was granted eleven GELs which occupy an area of approximately 5,308 square kilometres in the Great Artesian Basin (GAB). The GAB is one of the largest artesian groundwater basins in the world and underlies about one-fifth of the Australian land mass or over 1,711,000 square kilometres. The Company aims to locate areas with viable water temperatures and good natural water flow rates for emission free, renewable base load electricity generation.

- **Evaluation of hydrothermal system in the Cooper Basin**

The Patchawarra Geothermal Energy Project comprises three Exploration Licences covering 1,438 square kilometres of land over the Patchawarra Trough in the Cooper Basin, South Australia. Data evaluation and the modelling of sediment thickness and water flow potential was undertaken to locate geological formations in the Licence areas which are prospective for high flows of hot geothermal water and potentially suitable for generation of geothermal electricity.

Hungary

- **Relationship with Hungarian partners consolidated through the establishment of new joint geothermal company**

Green Rock Energy formed a new geothermal energy company with MOL Hungarian Oil and Gas Plc. (Hungary's principal oil and gas company) and Enex hf. (a leading Icelandic geothermal consulting and development company) with each company holding an equal one third share in the new company. This new company, Central European Geothermal Energy Private Company Limited (CEGE), was established to develop geothermal energy resources in Hungary.

Towards the end of the year Green Rock Energy and MOL Plc entered into an agreement with Enex to purchase Enex's one third interest in the new company, Central European Geothermal Energy Private Company Limited (CEGE), for its nominal book value. This transaction was completed early in January 2009 resulting in Green Rock Energy and MOL each holding a 50 per cent shareholding in CEGE

CEGE's mission is to become a market leader in geothermal energy in Hungary through the exploration and development of geothermal power plants and the subsequent production and sale of geothermal sourced electricity into the Hungarian Market. CEGE identified several geothermal prospect areas and reviewed all the available data including the evaluation of MOL's extensive petroleum well data and seismic mapping to determine the precise location for the geothermal wells. Application was made for formal title in the most prospective areas.

Perth Basin

- **Preferred Applicant for Geothermal Exploration Permits**

Green Rock Energy was advised by the Western Australian Government that it is the preferred applicant in respect of strategically placed applications for Geothermal Exploration Permits submitted in April 2008 by the Company both independently and jointly with other major applicants.

The Company has been working with The University of Western Australia and the W.A. Geothermal Centre of Excellence using multi-scale heat transfer modelling of geothermal aquifers in the Perth Basin to identify and target specific site locations for the most economic geothermal heat source in the Permit areas.

Corporate Activities

- **Appointment of Mr Richard Beresford to Board of Directors**

Renewable energy business expert Mr Richard Beresford was appointed to the Board of Directors as a non-executive director. Mr Beresford has considerable experience in the field of renewable energy in areas such as research, technology commercialisation, operations, business development and capital raising. He has had direct and extensive involvement in the development of a broad cross section of renewable and clean energy technologies and applications.

The net loss after accounting for income tax for the half-year ended 31 December 2008 is $1,182,642 (2007: $2,310,474).

The total number of fully paid ordinary shares on issue at 31 December 2008 were 180,381,023.

In addition there were 21,250,000 unquoted incentive options on issue at 31 December 2008.

Auditor's independence declaration

The Auditor's independence declaration is included on page 5 of the condensed consolidated half-year financial report and forms part of this report.

Signed in accordance with a Resolution of the Directors of Green Rock Energy Limited and made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors.

Adrian Larking
Managing Director

Perth, Western Australia, Australia.
13 March 2009

13 March 2009

To the Board of Directors of Green Rock Energy Limited

Dear Sirs

AUDITORS INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, in relation to the review of the financial report for the half-year ended 31 December 2008, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully
ORD PARTNERS

Robert Parker
Partner

ORD PARTNERS
CHARTERED ACCOUNTANTS

Ian K Macpherson CA

Robert W Parker CA

Craig A Vivian CA

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF GREEN ROCK ENERGY LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Green Rock Energy Limited, which comprises the condensed balance sheet as at 31 December 2008, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a statement or description of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year period.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement; whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Green Rock Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the review of the interim financial report.

A review of half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Green Rock Energy Limited on 13 March 2009.

ORD PARTNERS
CHARTERED ACCOUNTANTS

Ian K Macpherson CA

Robert W Parker CA

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Green Rock Energy Limited is not in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

Inherent uncertainty regarding going concern

Without qualification to the conclusion expressed above, attention is drawn to the following matter. As a result of matters referred to in Note 1 "Going Concern" to the financial statements, the ability of the Consolidated Entity to continue as a going concern and meet its planned and committed expenditures including exploration expenditures is dependent upon the Consolidated Entity raising further working capital. In the event that the Consolidated Entity cannot raise further working capital, the Consolidated Entity may not be able to pay its debts as and when they become due and payable. Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded assets nor to the amounts and classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

ORD PARTNERS
Chartered Accountants

Robert Parker

Perth, 13 March 2009

Directors' declaration

In accordance with a resolution of the directors of Green Rock Energy Limited state that:

In the opinion of the directors:

(a) the financial statements and notes of the consolidated entity as set out on pages 9 to 17 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 and the performance for the half-year ended on that date of the consolidated entity; and

(ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and 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.

Signed in accordance with a Resolution of the Directors made pursuant to section 303 (5) of the Corporations Act 2001.

On behalf of the Directors.

Adrian Larking

Adrian Larking
Managing Director

Perth, Western Australia, Australia.
13 March 2009

Condensed consolidated income statement for the half-year ended 31 December 2008

	Notes	Consolidated 2008 $	2007 $
Revenue			
Interest income		79,258	69,982
Total Revenue		79,258	69,982
Expenses			
Employee benefits expense	8	(469,111)	(529,553)
Administration expense		(92,472)	(104,251)
Consulting expense		(262,539)	(257,552)
Depreciation and amortisation		(11,402)	(14,770)
Exchange gains/(losses)		2,820	(16,232)
Exploration expenditure written off	5	-	(1,166,004)
Exploration expenditure expensed as incurred	5	(110,021)	(106,419)
Share of net loss of associates accounted for using the equity method	7	(80,312)	-
Other expenses from ordinary activities		(238,863)	(185.675)
Total expenses		(1,261,900)	(2,380,456)
Loss before income tax benefit		**(1,182,642)**	**(2,310,474)**
Income tax benefit		-	-
Net loss for the period attributable to Members of Green Rock Energy Limited		**(1,182,642)**	**(2,310,474)**
Loss per share:			
Basic and diluted loss per share (cents per share)		(0.01)	(0.01)

Notes to the financial statements are included on pages 13 to 17.

Condensed consolidated balance sheet as at 31 December 2008

	Notes	Consolidated 31 December 2008 $	Consolidated 30 June 2008 $
Current assets			
Cash and cash equivalents		1,736,246	2,858,934
Other receivables		238,967	319,143
Total current assets		1,975,213	3,178,077
Non-current assets			
Other financial assets		105,300	105,300
Deferred exploration expenditure	5	8,946,215	8,850,948
Investments accounted for using the equity method	7	51,481	-
Plant and equipment		58,942	67,375
Total non-current assets		9,161,938	9,023,623
Total assets		11,137,151	12,201,700
Current liabilities			
Trade and other payables		124,513	148,704
Provisions		42,267	50,792
Total current liabilities		166,780	199,496
Non-current liabilities			
Provisions		30,025	-
Total non-current liabilities		30,025	-
Total liabilities		196,805	199,496
Net assets		10,940,346	12,002,204
Equity			
Issued capital		17,512,225	17,512,225
Reserves	3	600,955	480,171
Accumulated losses		(7,172,834)	(5,990,192)
Total equity		10,940,346	12,002,204

Notes to the financial statements are included on pages 13 to 17.

Condensed consolidated statement of changes in equity
for the half-year ended 31 December 2008

For the period ended 31 December 2008	Ordinary Shares $	Option Premium Reserve $	Share Based Payment Reserve $	Foreign Currency Reserves $	Accumulated Losses $	Total Equity $
At beginning of period	17,512,225	158,332	302,112	19,727	(5,990,192)	12,002,204
Loss for the period	-	-	-	-	(1,182,642)	(1,182,642)
Total recognised expense for the period	-	-	-	-	(1,182,642)	(1,182,642)
Share-based payments	-	-	88,677	-	-	88,677
Exchange differences on translation of foreign operations	-	-	-	32,107	-	32,107
Transactions with equity holders in their capacity as equity holders	-	-	88,677	32,107	-	120,784
At end of period	17,512,225	158,332	390,789	51,834	(7,172,834)	10,940,346

For the period ended 31 December 2007	Ordinary Shares $	Option Premium Reserve $	Share Based Payment Reserve $	Foreign Currency Reserves $	Accumulated Losses $	Total Equity $
At beginning of period	14,180,394	158,332	69,022	279	(3,025,848)	11,382,179
Loss for the period	-	-	-	-	(2,310,474)	(2,310,474)
Total recognised expense for the period	-	-	-	-	(2,310,474)	(2,310,474)
Contributions of equity, net of transaction costs	1,262,701	-	-	-	-	1,262,701
Share-based payments	-	-	135,616	-	-	135,616
Exchange differences on translation of foreign operations	-	-	-	(35,077)	-	(35,077)
Transactions with equity holders in their capacity as equity holders	1,262,701	-	135,616	(35,077)	-	1,363,240
At end of period	15,443,095	158,332	204,638	(34,798)	(5,336,322)	10,434,945

Notes to the financial statements are included on pages 13 to 17.

Condensed consolidated cash flow statement for the half-year ended 31 December 2008

	Consolidated	
	2008 $	2007 $
Cash flows from operating activities		
Payments to suppliers and employees	(896,288)	(990,267)
Interest received	78,074	69,982
Other income	-	-
Net cash used in operating activities	(818,214)	(920,285)
Cash flows from investing activities		
Payments for plant and equipment	(2,970)	(5,374)
Refund of exploration costs from World Bank	-	1,306,348
Payments for exploration and evaluation expenditure	(285,614)	(476,388)
Investment in associate	(15,890)	-
Net cash provided by/(used in) investing activities	(304,474)	824,586
Cash flows from financing activities		
Proceeds from issues of shares and options	-	1,324,951
Payment for share issue costs	-	(62,250)
Net cash provided by financing activities	-	1,262,701
Net increase/(decrease) in cash and cash equivalents	(1,122,688)	1,167,002
Cash and cash equivalents at the beginning of the half-year	2,858,934	981,818
Cash and cash equivalents at the end of the half-year	1,736,246	2,148,820

Notes to the financial statements are included on pages 13 to 17.

Notes to the condensed consolidated financial statements for the half-year ended 31 December 2008

1. Summary of accounting policies

Statement of Compliance
The condensed half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The condensed half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules.

Basis of Preparation
The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. The Company is domicile in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted in the company's 2008 annual financial report for the financial year ended 30 June 2008, unless disclosed below.

For the purpose of preparing the half year report, the half year has been treated as a discrete reporting period.

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Key estimates — impairment
The consolidated entities assess impairment at each reporting date by evaluating conditions specific to the consolidated entities that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

Key estimates — share based payments
The consolidated entities measure the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using either a Black-Scholes or Binomial model. One of the inputs into the option valuation model is volatility of the underlying share price which is estimated on the one year history of the share price and has been estimated at approximately 118%.

Investments in Associates
Investments in associate companies are recognised in the condensed financial statements by applying the equity method of accounting.

Adoption of new and revised Accounting Standards
In the half-year ended 31 December 2008, the consolidated entity has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2008. It has been determined by the consolidated entity that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the consolidated entity's accounting policies.

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The consolidated entity has incurred a net loss after tax for the half year ended 31 December 2008 of $1,182,642 (2007: $2,310,474) and experienced net cash outflows from operating activities of $818,214 (2007: $920,285). As at 31 December 2008 the consolidated entity had cash and cash equivalent balances of $1,736,246 (30 June 2008: $2,858,934).

The directors recognise that the ability of the consolidated entity to continue as a going concern is dependent on the capacity of the consolidated entity to secure additional funding through either the issue of further shares, convertible notes, or a combination of both.

The directors believe that they will continue to be successful in securing additional funds through debt or equity issues as and when the need to raise working capital arises.

Should the Company and the consolidated entity be unable to continue as going concerns, they may be required to realise their assets and extinguish their liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that may be necessary should the Company and the consolidated entity be unable to continue as going concerns.

2. Subsequent events

- **Preferred Applicant for Perth Basin Geothermal Permits**

  On 1 February 2009 the Western Australian Minister for Mines and Energy announced that the Company is the preferred applicant for three Geothermal Exploration Permits in the Perth Basin in its own name and an additional eleven in joint venture with major participants in both the Collie and Perth Basins. The Western Australian Government has advised the permits will be formally offered following completion of native title negotiations.

- **Increased Interest in Hungarian Geothermal Company – Central European Geothermal Energy Private Company Limited ("CEGE")**

  On 2 February 2009 the Company acquired an additional interest in CEGE, the Hungarian geothermal company now jointly owned by Green Rock Energy International Pty Ltd and MOL Plc. As at 31 December 2008 the company held a one third interest in CEGE this has now increased to a one half interest.

3. Issuances, repurchases and repayments of securities

During the half-year reporting period, the Company completed the following transactions in its securities:

- 19 November 2008 issued 1,000,000 options to acquire ordinary shares at an exercise price of 6 cents each expiring on 19 November 2012 to four consultants. Half of these options vest on 19 November 2009 and the balance on 19 November 2010.
- 19 November 2008 issued 500,000 options to acquire ordinary shares at an exercise price of 6 cents each expiring on 19 November 2012 to the Company Secretary as part of his employment contract. Half of these options vest on 19 November 2009 and the balance on 19 November 2010.
- 19 November 2008 issued 300,000 options to acquire ordinary shares at an exercise price of 6 cents each expiring on 19 November 2012 to an employee as part of her employment contract. Half of these options vest on 19 November 2009 and the balance on 19 November 2010.
- 19 November 2008 issued 4,600,000 options to acquire ordinary shares at an exercise price of 6 cents each expiring on 19 November 2012 to Directors as part of their employment contract. Half of these options vest on 19 November 2009 and the balance on 19 November 2010.

Further details of options granted and share based payments during the half-year are disclosed in note 8.

4. Segment reporting

The Company operates predominantly in two geographical segments, being Australia and Hungary, and one business segment, the development of geothermal energy projects.

For the six months ended 31 December 2008	Australia	Hungary	Consolidated
Segment revenue	79,242	16	79,258
Segment result	(1,173,759)	(8,883)	(1,182,642)
Segment assets	10,766,648	370,503	11,137,151
For the six months ended 31 December 2007			
Segment revenue	37,107	32,875	69,982
Segment result	(1,139,214)	(1, 171,260)	(2,310,474)
Segment assets	10,557,118	113,413	10,670,531

5. Deferred exploration costs

	31 Dec 2008	30 June 2008
Costs brought forward	8,850,948	8,953,576
Exploration expenditure capitalised during the period	95,267	830,126
Exploration expenditure written off	-	(932,754)
Cost carried forward	8,946,215	8,850,948

Total exploration costs of $110,021 were expensed.

6. Related parties

Arrangement with related parties continue to be in place. For these details, please refer to the 30 June 2008 annual financial report.

Key management personnel continue to be remunerated by salary, post employment benefits and share based payments. Further details on share based payments made to key management personnel during the period are disclosed in note 8.

7. Investments accounted for using the equity method

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost after adjustments for share of losses.

	31 Dec 2008	30 Jun 2008
Investment in Central European Geothermal Energy Private Company Limited (CEGE)	131,793	-
Share of losses after income tax (33%)	(80,312)	-
Carrying amount at the end of the financial period	51,481	-

The Group acquired a one third share in CEGE on 30 July 2008. The Group's share of the results and aggregated assets (including goodwill) and liabilities are as follows:

	Ownership Interest %	Group's share of: Assets	Liabilities	Revenues	Profit/(Loss)
31 December 2008					
Central European Geothermal Energy Private Company Limited (CEGE)	33	36,584	105,220	301	(80,312)

8. Share based payments

Included in staff costs is an amount of $88,677 relating to share based payments (December 2007: $135,616).

Share based payments is the fair value of options issued and expensed over the vesting period. The fair value of the equity-settled share options granted is estimated as at the date of grant using a Binomial model taking into account the terms and conditions upon which the options are granted.

Expected volatility is based on the movement of the underlying share price around its average price over the expected term of the option.

On 19 November 2008, four consultants, an employee, the Company Secretary Nigel Hodder and Directors, Adrian Larking, Alan Knights, Jörg Baumgärtner, Scott Spencer and Richard Beresford were granted options with the details shown on page 17.

	Unlisted options exercisable at 6 cents per share on or before 19 November 2012
Grant date	19 November 2008
No of options issued	6,400,000
Vesting conditions	50% vesting 19 November 2009 and 50% vesting 19 November 2010
Fair value at grant date	2.79 cents
Share price	3.80 cents
Exercise price	6 cents
Volatility	118%
Risk free rate	5.75%