28 February 2007

Company Announcements Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

Energy One Interim Results 2007

The company is pleased to advise that it has achieved a net profit of $829,928 for the six months to 31 December 2006 – a result that is consistent with the Director's forecast for the period.

Comparison of the current and previous half year periods		
	Six Months to December '06 ($M)	Six Months to December '05 ($M)
Revenue	14.125	9.144
Gross Profit	2.818	1.284
EBITDA	1.105	0.381
NPAT	0.830	0.173

Revenue for this half year has increased by 54% over the prior corresponding period with profit also up on the same period. Energy One expects strong revenue growth to continue during the second half, however gross margins will likely contract over this period due to higher seasonal wholesale energy prices typically experienced during the March quarter.

Mild weather in both New South Wales and Queensland during the December quarter resulted in the electricity consumed by Energy One's customers being less than forecast. This reduction in demand resulted in revenue for the period being less than forecast. However, offsetting this, lower wholesale energy prices resulted in a better gross margin than forecast.

The net effect of lower demand and lower wholesale energy prices was that whilst revenue for the first half was less than forecast, EBITDA and NPAT were in line with the Director's forecast in the Prospectus. It is unlikely that the revenue lost due to the cooler spring weather will be made up during the remainder of the year. Customer acquisitions however, are in line with expectations and strong revenue growth is anticipated to continue for the remainder of the financial year.

The December 2006 capital raising saw the company successfully raise $10M in new capital and culminated in Energy One listing on the Australian Stock Exchange (ASX) on the 15th of January 2007. The Balance sheet for this interim result does not reflect the additional $10M capital that was raised.

Subsequent to the successful capital raising the company's overdraft was repaid and the guarantee facility provided by Investec Bank was refinanced. The result has been a lower overall cost of financing and greater flexibility with respect to future financing.

By the end of December 2006 Energy One was supplying electricity to approximately 10,000 customers, predominantly in New South Wales and Queensland.

The seasonal nature of electricity retailing means that during the March quarter Energy One expects higher wholesale electricity prices. The effect of higher energy costs and a number of non-cash provisions made in previous quarters will result in negative operational cash flows for the March quarter. This seasonality was incorporated in the Director's forecasts at the beginning of the financial year.

Energy One is committed to rewarding employees who contribute to the growth and development of the company and is pleased to announce that over 90% of eligible employees took part in Energy One's Employee Share Plan. It is an incentive that will result in further productivity gains and profitability. In addition a large number of employees purchased shares in Energy One at the time of the IPO.

Vaughan Busby
Chief Executive Officer

Background

Energy One was one of Australia's first independent non-government owned electricity retailers and has licences to retail electricity in Queensland, New South Wales, the Australian Capital Territory and Victoria.

Energy One now provides savings to thousands of customers along Australia's eastern seaboard by offering hassle free electricity at great prices.

No wonder thousands of people have made the switch; we're Turning Australia On!

Preliminary Appendix 4D

Preliminary Final Report to the Australian Stock Exchange

Name of Entity	Energy One Limited
ABN	37 076 583 018
Half year ended	31 December 2006
Previous Corresponding reporting period	31 December 2005

Results for announcement to the market

	December '06 ($'000)	December '05 ($'000)	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	14,125	9,144	54%
Profit/(Loss) from ordinary activities after tax attributable to members	830	173	380%
Net Profit/(Loss) for the period attributable to members	830	173	380%

Dividends	No dividends will be payable		
Amount per security	N/A		
Franked amount per security	N/A		
Interim dividend	N/A		
Final dividend	N/A		
Record date for determining entitlements to dividends	N/A		
Net tangible assets per security	11.5 cents	17.9 cents	

Brief explanation of the figures above necessary to enable the figures to be understood:

The above figures represent the period prior to the $10M capital raising and the subsequent listing on the ASX that occurred on the 15th of January 2007. While Net Tangible Assets per share have decreased this was due to a pro-rata issue of 7.4M shares in preparation for listing. Backing out the pro-rata issue NTA per share for the period ended 31 December 2006 increased to 47.6 cents.

Other Significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

There were no acquisitions or disposals of entities during the period.

There are no associated joint venture entities.

Commentary on the results for the period

Basic EPS 8.45 cents

Diluted EPS 8.45 cents

Details of the income and share data used in the calculation of basic and diluted earnings per share are set out below:

(a) Earnings used in calculating basic and diluted earnings per share:

Net Profit: $829,928

(b) Weighted average number of ordinary shares used in calculating basic earnings per share:

9,820,000

(c) Weighted average number of ordinary shares used in calculating diluted earnings per share:

9,820,000

(d) Convertible notes (equivalent number of shares)

NIL

(e) Share options included

NIL

Notes:

The above figures represent the period prior to the successful capital raising and listing on the ASX. At the time of listing on the ASX (15 January 2007) shares on issue increased to 22,000,000. Basic EPS using this number of shares equals 3.77 cents per share.

Returns to shareholders including distributions and buy backs:

NIL

The results of segments that are significant to an understanding of the business as a whole:

The principal activity of the economic entity during the financial year was the retail sale of electricity to the small and medium sized business market.

Discussion of trends in performance:

Refer to Director's Report

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

Refer to Director's Report

Audit/review status

This report is based on accounts to which one of the following applies: (tick one)

- ☑ The accounts have been audited
- ☐ The accounts are in the process of being audited
- ☐ The accounts have been subject to review
- ☐ The accounts have not yet been audited or reviewed

Signed by Company Secretary

.... 28 February 2007

Joshua Rudd

HALF YEAR REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2006.

Energy One Limited (ABN 37 076 583 018)

DIRECTORS' REPORT

Review of Operations

The profit of the company for the half-year after providing for income tax amounted to $829,928 (2005: $172,674).

A review of the operations of the company during the half-year and the results of those operations found that the changes in market demand and competition have seen an increase in sales of 54% to $14,125,385. The increase in sales has contributed to an increase in the company's operating profit before tax.

No significant changes in the company's state of affairs occurred during the first half year to 31 December 2006.

The principal activity of the company during the financial period was supply of electricity.

No significant change in the nature of these activities occurred during the period.

After reporting date, $10M capital was raised by listing on the Australian Stock Exchange (ASX). The capital raising enabled the company to refinance the existing facility agreement with Investec Bank and gave the company additional working capital.

Likely developments in the operations of the company and the expected results of those operations in future financial periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the company.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

No dividends were paid or declared since the start of the financial half-year. No recommendation for payment of dividends has been made.

No options over issued shares or interests in the company were granted during or since the end of the financial half-year.

No indemnities have been given or insurance premiums paid, during or since the end of the financial half-year, for any person who is or has been an officer or auditor 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 financial half-year.

VAUGHAN BUSBY
MANAGING DIRECTOR
28th February 2007

IAN FERRIER
CHAIRMAN
28th February 2007

INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	31.12.2006 $	31.12.2005 $
Revenue	14,125,385	9,143,642
Raw materials and consumables used	(11,404,653)	(7,859,225)
Employee benefits expense	(1,024,540)	(611,722)
Depreciation and amortisation expense	(64,105)	(46,945)
Finance costs	(196,218)	(137,470)
Other expenses	(591,018)	(291,923)
Profit before income tax	844,851	196,357
Income tax expense	(14,923)	(23,683)
Profit attributable to members of the Company	829,928	172,674
Overall Operations:		
Basic earnings per share (cents per share)	8.45	7.38
Diluted earnings per share (cents per share)	8.45	7.38

The accompanying notes form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2006

	31.12.2006 $	30.06.2006 $
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	379,867	52,989
Trade and other receivables	4,919,526	4,005,649
Financial assets	848,738	193,432
Other current assets	950,700	529,608
TOTAL CURRENT ASSETS	**7,098,831**	**4,781,678**
NON-CURRENT ASSETS		
Property, plant and equipment	371,814	207,894
Intangible assets	618,043	561,714
TOTAL NON-CURRENT ASSETS	**989,857**	**769,608**
TOTAL ASSETS	**8,088,688**	**5,551,286**
CURRENT LIABILITIES		
Trade and other payables	4,477,829	3,675,820
Short-term borrowings	450,000	22,657
Short-term provisions	972,555	580,916
Deferred tax liability	14,923	-
Other current liabilities	382,570	291,601
TOTAL CURRENT LIABILITIES	**6,297,877**	**4,570,994**
NON-CURRENT LIABILITIES		
Long-term provisions	5,000	-
Long-term borrowings	42,250	-
TOTAL NON-CURRENT LIABILITIES	**47,250**	**-**
TOTAL LIABILITIES	**6,345,127**	**4,570,994**
NET ASSETS	**1,743,561**	**980,292**
EQUITY		
Issued capital	1,823,591	1,823,591
Share options reserve	12,011	7,772
Reserves	(70,898)	-
Retained earnings	(21,143)	(851,071)
TOTAL EQUITY	**1,743,561**	**980,292**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	$ Share Capital Ordinary	$ Retained Profits	Share based payments reserve	Reserves	Total
Balance at *1.7.2005*	1,823,591	(1,251,542)	-	-	572,049
Profit attributable to members of parent entity	-	172,674	-	-	172,674
Balance at *31.12.2005*	1,823,591	(1,078,868)	-		744,723
Profit attributable to members of parent entity	-	227,797		-	227,797
Options issued	-	-	7,772	-	7,772
Balance at *1.7.2006*	1,823,591	(851,071)	7,772	-	980,292
Profit attributable to members of parent entity	-	829,928	-	-	829,928
Options issues	-	-	4,239	-	4,239
Hedging Reserves	-	-		(70,898)	(70,898)
Balance at *31.12.2006*	1,823,591	(21,143)	12,011	(70,898)	1,743,561

CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	31.12.2006 $	31.12.2005 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	13,347,005	7,801,166
Payments to suppliers and employees	(12,787,295)	(7,593,498)
Interest received	4,139	7,429
Finance costs	(200,357)	(144,899)
Net cash provided by (used in) operating activities	363,492	70,198
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of non-current assets	(284,353)	(151,301)
Net cash provided by (used in) investing activities	(284,353)	(151,301)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	492,250	-
Capital raising expenses	(221,854)	
Net cash provided by (used in) financing activities	270,396	-
Net increase (decrease) in cash held	349,535	(81,103)
Net cash at beginning of financial period	30,332	473,217
Net cash at the end of the financial period	379,867	392,114

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

NOTE 1: BASIS OF PREPARATION

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134: Interim Financial Reporting, Urgent Issues Group Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2006 and any public announcements made by Energy One Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report.

(b) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments. The company operates in a single business segment, being electricity supply and in a single geographic segment, being Australia.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of allowances, duties and taxes paid.

Revenue is recognised on delivery of the goods and services to the customer. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of the amount of goods and services tax (GST).

(d) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantially enacted. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(e) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Any bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(g) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the company are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

(h) Property, plant and equipment

Property, plant and equipment is carried at historical cost less depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs, maintenance and minor renewals are charged to the income statement during the financial period in which they are incurred.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation of assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, at the following rates:

- Plant and equipment 25%-40%

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the company, whichever is shorter. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. Gains and losses are included in the income statement.

(i) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of the acquisition of the net assets of an acquired company over the fair value of the company's share of its net identifiable assets at the date of acquisition. Goodwill is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is carried at cost less accumulated impairment losses.

(ii) Software

Costs incurred in the development of software are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be reliably measured. Development costs have a finite estimated life of five years and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

(iii) Licences and Trademarks

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

Licences and trademarks represent the cost of registering trademarks and licence fees.

(j) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of financial year which had not been settled at balance date. The amounts are unsecured and are usually paid within 60 days of recognition.

(k) Borrowings

The company has taken the exemption available under AASB 1 to apply AASB 132 and AASB 139 from 1 January 2005. The company has applied previous AGAAP in the comparative information on financial instruments, including borrowings. The effect of the transition to AASB 132 and AASB 139 on 1 January 2005 is set out in Note 2 (f).

From 1 January 2005, borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

(l) Derivative Financial Instruments – Futures and Options

The company has applied the exemption available under AASB 1 to apply AASB 132 and AASB 139 from 1 January 2005. The company has applied previous AGAAP in the comparative information on financial instruments within the scope of AASB 132 and AASB 139.

The following sets out how futures were accounted for under previous AGAAP

Realised and unrealised gains and losses on futures contracts were recognised in the income statement only to the extent that the specific contracts had expired at the balance sheet date.

Unrealised gains and losses on futures contracts relating to post balance date periods were deferred and recognised in the income statement in subsequent accounting periods.

Where a futures contract was terminated early and the underlying hedged transaction was:

- still expected to occur as designated: the gains or losses arising on the contract upon its early termination continue to be deferred and are progressively brought to account over the period during which the hedged transactions are recognised
- no longer expected to occur as designated: the gains or losses arising on the contract upon its early termination are recognised in the income statement at the date of termination.

From 1 January 2005, derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The company designates its futures contracts and electricity purchase option contracts as hedges of highly probable forecast transactions (cash flow hedges).

The company documents the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The company also documents its assessment of whether the derivatives that are used in hedging transactions have been, and will continue to be, highly effective in offsetting changes in fair values or cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are recognised in the income statement in the periods when the hedged item will affect profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

(m) Employee benefits

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables and provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled, including appropriate on-costs. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Long Service Lease

A provision for long service leave is taken up for all employees where material.

Share based payments

The company provides share-based compensation benefits to certain employees, whereby employees render services in exchange for options over shares.

The fair value of options granted after 7 November 2002 and vesting after 1 January 2005 is recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date has been determined by the directors based on the transaction price of a recent share sale.

Upon the exercise of options, the exercise proceeds received are allocated to share capital and the balance of the share-based payments reserve relating to those options is transferred to share capital.

(n) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.
Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from or payable to the Australian Taxation Office, are classified as operating cash flows.

NOTE 2: DEFERRED TAX ASSET

A deferred tax asset originally reported in the 30 June 2006 financials has been deemed by the board as incorrect. This asset has therefore been retrospectively reversed in the 30 June 2006 period. The adjustment was $240,935 reduction in 30 June 2006 assets and profit.

NOTE 3: EVENTS SUBSEQUENT TO REPORTING DATE

After reporting date, $10M capital was raised by listing on the Australian Stock Exchange (ASX). The capital raising enabled the company to refinance the existing facility agreement with Investec Bank and gave the company additional working capital. At year end there is a contingent liability to pay a commission to the underwriters of $500,000 for the successful completion of the capital raising for the company. The expected total cost of the capital raising is $1,000,000 of which $221,854 has been incurred prior to year end. Apart from this there are no known additional contingent liabilities at period end.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2006

NOTE 4: EARNINGS PER SHARE

In preparation for listing on the ASX the company performed a pro rata issue to all shareholders. The earnings per share and diluted earnings per share calculation was based on this increased number of shares. Earnings per share calculated on the number of shares prior to the pro rata issue would have been 35.08 cents per share.

NOTE 5: SEGMENT REPORTING

Energy One operates in one industry being the electricity retail industry and in one geographical location being Australia.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 through to 14:
   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
   b. give a true and fair view of the company's financial position as at 31 December 2006 and of its performance for the half year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director

Vaughan Busby

Dated this 28th day of February 2007