APPENDIX 4E

Preliminary final report

EZENET LIMITED

ABN 84 083 646 477

1. Reporting Period

Year ended : 30 June 2008

2. *Results for announcement to the market*

2.1	Revenues from ordinary activities	up	21.34%	to	**$4,053,034**
2.2	Profit from ordinary activities after tax attributable to members	up		to	**$131,510**
2.3	Net profit for the period attributable to members	up		to	**$131,510**

2.4	**Dividends**	Amount per security	Franked amount per security
	Final dividend	Nil¢	Nil¢
	Previous corresponding year	Nil¢	Nil¢

2.5	Record date for determining entitlements to the dividend	Not Applicable

2.6 Refer to the Company Announcement accompanying the Appendix 4E for explanations of the figures reported above.

3. Consolidated income statement

	Note	2008 $	2007 $
Continuing operations			
Revenue from ordinary sales	**3.1(a)**	**4,053,034**	3,340,360
Cost of Sales	**3.1(b)**	**(1,028,769)**	(896,812)
Gross Profit		**3,024,265**	2,443,548
Other Income		-	-
Marketing and distribution expenses		**(311,534)**	(449,727)
Occupancy expenses		**(86,265)**	(58,507)
Administrative expenses		**(244,994)**	(298,833)
Borrowing expenses	**3.1(c)**	**(236,723)**	(244,382)
Other operating expenses	**3.1(d)**	**(2,013,239)**	(1,568,037)
Profit/(Loss) before income tax expense		**131,510**	(175,938)
Income tax benefit/(expense)		**-**	(90,962)
Profit/(Loss) after tax from continuing operations		**131,510**	(266,900)
Net Profit (Loss) attributable to members of Ezenet Limited		**131,510**	(266,900)

Earnings per security (EPS)	**Cents**	Cents
Basic earnings/(loss) per share	**0.002**	**(0.003)**
Diluted earnings/(loss) per share	**0.001**	**(0.004)**

3.1 Notes to the consolidated income statement

3.1(a) Other Operating Revenue	**2008 $**	2007 $
Sale of Services	**3,837,117**	2,962,024
Sale of equipment	**187,124**	309,541
Interest received or receivable from other bodies corporate	**28,793**	68,795
Revenue from ordinary sales	**4,053,034**	3,340,360

3.1(b) Cost of Sales	**2008 $**	2007 $
Film Licenses and Movies Cost	**897,732**	666,064
Installation Costs	**31,496**	96,007
Cost of Equipment	**99,541**	134,741
Cost of sales	**1,028,769**	896,812

3.1(c) Borrowing Expenses	**2008 $**	2007 $
Interest expense	**236,723**	175,943
Other borrowing expenses	**-**	68,439
Total borrowing costs	**236,723**	244,382
Less borrowing costs capitalised	**-**	-
Total borrowing costs expensed	**236,723**	244,382

3.1 Notes to the consolidated income statement (cont.)

3.1(d) Other operating expenses	**2008 $**	2007 $
Depreciation of plant and equipment	**764,795**	570,549
Amortisation of film library	**52,680**	50,598
Amortisation of Guest Video	**6,246**	18,754
Film licence fees	**897,732**	666,064
Installation costs	**31,496**	96,007
Property, plant and equipment – written off	**-**	1,421
Research & development	**-**	7,800
Other expenses	**260,290**	156,844
	2,013,239	1,568,037
Operating lease rentals	**78,962**	53,739
Defined contribution plan expense	**70,560**	63,527
Provisions for employee entitlements	**20,230**	29,359
Consultants and directors benefit expense	**61,250**	75,000
Salaries & wages expense	**720,077**	792,070

4. Consolidated balance sheet

	2008 $	2007 $
Current assets		
Cash	**497,926**	953,794
Receivables	**656,802**	440,748
Other	**37,405**	4,194
Total current assets	**1,192,133**	1,398,736
Non-current assets		
Property, plant and equipment	**3,167,187**	2,550,693
Intangible assets	**102,899**	106,594
Deferred tax assets	**930,059**	939,894
Available-for-sale financial assets	**5,843,763**	9,320,449
Interest in associate	**-**	-
Total non-current assets	**10,043,908**	12,917,630
Total assets	**11,236,041**	14,316,366
Current liabilities		
Payables	**557,095**	527,026
Interest bearing liabilities	**2,081,393**	1,748,665
Tax liabilities	**-**	-
Provision tax liabilities	**6,786**	-
Provisions employee entitlements	**53,952**	50,897
Total current liabilities	**2,699,226**	2,326,588
Non-current liabilities		
Deferred tax liabilities	**1,685,488**	2,760,008
Provisions employee entitlements	**11,613**	14,400
Total non-current liabilities	**1,697,101**	2,774,408
Total liabilities	**4,396,327**	5,100,996
Net assets	**6,839,714**	9,215,370
Equity		
Contributed equity	**9,169,348**	9,169,348
Reserves	**2,722,128**	5,229,294
Retained profits	**(5,051,762)**	(5,183,272)
Equity attributable to members of the parent entity	**6,839,714**	9,215,370

5. Consolidated cash flow statement

	2008 **$**	2007 $
Cash flows related to operating activities		
Receipts from customers	**3,664,151**	3,175,633
Payments to suppliers and employees	**(2,472,355)**	(2,347,716)
Interest and bill discount received	**32,195**	68,795
Borrowing costs	**(215,667)**	(175,765)
Income taxes paid	**(295)**	-
Other	**(23,741)**	-
Net operating cash flows	**984,288**	720,947
Cash flows related to investing activities		
Payments for property, plant and equipment	**(1,578,423)**	(1,267,377)
Payments for purchase of businesses	**-**	(25,000)
Payments for other non-current assets	**-**	(46,575)
Payments for investments	**(105,000)**	(123,386)
Net investing cash flows	**(1,683,423)**	(1,462,338)
Cash flows related to financing activities		
Proceeds from issues of shares	**-**	1,234,448
Proceeds from borrowings raised	**390,710**	475,000
Repayment of borrowings:		
director's loan	**-**	(425,000)
other	**(97,443)**	
Other – Convertible notes repaid	**(50,000)**	-
Net financing cash flows	**243,267**	1,284,448
Net increase (decrease) in cash held	**(455,868)**	543,057
Cash at beginning of financial year	**953,794**	410,737
Effects of exchange rate changes on opening cash	**-**	-
Cash at end of financial year	**497,926**	953,794

5.1(a) Reconciliation of cash	**2008 $**	2007 $
Cash on hand and at bank	**497,926**	953,794
Bank overdraft	**-**	-
Total cash at end of period	**497,926**	953,794

5.1(b) Reconciliation of loss from ordinary activities after income tax to net cash from operating activities	**2008 $**	2007 $
Profit/(Loss) from ordinary activities after income tax	**131,510**	(266,900)
Depreciation and amortisation	**823,721**	639,901
Provision for employee entitlements	**20,230**	29,359
Property, plant and equipment written off	**-**	1,421
Convertible note expense	**14,452**	68,439
Consultants and directors benefit expense	**-**	75,000
Employee share option expense	**-**	85,000
Assets received for free	**-**	(30,240)
Changes in assets and liabilities		
Receivables	**(216,054)**	(129,272)
Payables	**30,070**	98,437
Inventory	**198,688**	-
Current tax liabilities	**6,786**	90,963
Deferred tax liabilities	**-**	-
Deferred tax assets	**8,096**	-
Other debtors	**(33,211)**	58,839
Net operating cash flows	**984,288**	720,947

5.1(c) Borrowing facilities and bank financial Accommodations	**2008 $ Available**	**2008 $ Utilised**	2007 $ Available	2007 $ Utilised
Convertible notes	**1,710,000**	**1,710,000**	1,760,000	1,760,000
Bank loan	**1,000,000**	**370,670**	-	-
Insurance finance	**35,022**	**35,022**	38,282	38,282
Other	**36,990**	**36,990**	-	-
	2,782,012	**2,152,682**	1,798,282	1,798,282

6. Dividends paid or declared

	2008 **$**	2007 $
Dividends paid or declared for the year	**Nil**	Nil
Amount of franking credits available	**Nil**	Nil

7. Dividend reinvestment plan

There is no Dividend Reinvestment Plan currently in place .

8. Movements in retained earnings

	2008 **$**	2007 $
Retained losses at beginning of financial year	**(5,183,272)**	(4,916,372)
Net operating profit (loss) after income tax for the financial year	**131,510**	(266,900)
Adjustment arising from adoption of new and revised accounting standards:	**-**	-
Dividends paid or payable	**-**	-
Retained losses at end of financial year	**(5,051,762)**	(5,183,272)

9. NTA backing

	2008	2007
Net tangible asset backing per ordinary security	**8.02 cents**	10.85 cents

10. Control gained over entities having material effect

There were no material entities over which control was gained or lost by the Group during the financial year.

11. Available-for-sale financial assets

	2008 $	2007 $
Interest in Weatherly International plc	**5,498,391**	8,847,134
Interest in Carbine Resources	**150,000**	360,000
Interest in Island Gas (previously known as KP Renewables plc)	**90,372**	113,314
Interest in Ghazal Uranium	**105,000**	-
Total Available for sale Assets	**5,843,763**	9,300,448

12. Details of associates and joint ventures

		2008 $	2007 $
		Ownership interest held by consolidated entity	
	Balance Date	**2008**	2007
E-Resources	30 June 2008	**100%**	100%
Ezestream	30 June 2008	**100%**	100%

13. Other significant information

13.1 Issued and quoted securities at end of current year

	Total number	Number quoted	Issue price per share $	Amount paid up per share $
Ordinary shares				
Balance on issue at 1 July 2007	83,989,367	83,989,367		
Increases during current year				
- options exercised	-	-		
Balance on issue at 30 June 2008	83,989,367	83,989,367		
Options			*Exercise Price $*	
Balance on issue at 1 July 2007	-	-		
Issued during current year				
Exercised during current year				
Balance on issue at 30 June 2008	-	-		

13.2 Changes in contingent liability

Not applicable

14. Accounting standards for foreign entities

Not applicable

15. Commentary on the results for the financial year

Refer to the Company Announcement lodged with the ASX on 28 July 2008.

15.1 Segment reporting – reports for business and geographical segments

The company operates in one geographical segment being Australia and in the one industry being the supply of digital movies, internet services and related equipment to the hospitality and mining industries.

16. Basis of preparation

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) and the Urgent Issues Group that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2006. The adoption of these new and revised Standards and Interpretations did not have any effect on the financial position or performance of the Group.

Certain Australian Accounting Standards and UIG Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group, for the annual reporting period ended 30 June 2008. The directors have not adopted any of these new or amended standards or interpretations.

17. Compliance statement

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

(Original signed by Simon Watson)
Signed: .... Date: 29/08/2008
(Company Secretary)

Name: Simon Watson