Rule 4.2A.3

Avexa Limited

ABN 53 108 150 750

Appendix 4D

Half year report
Period ending 31 December 2006

Results for announcement to the market

Operating performance	Down by $558,000 (7%)
Revenue from ordinary activities	Up by $146,000 (42%)
Profit / (loss) from ordinary activities after tax attributable to members	Down by $558,000 (7%)
Net profit / (loss) for the half year attributable to members	Down by $558,000 (7%)

Dividends

It is not proposed to pay dividends.

There are no dividend or distribution reinvestment plans in operation and there has been no dividend or distribution payments during the financial half year ended 31 December 2006.

No explanation considered necessary to explain any of the above other than as provided within this report and in the Directors' Report for the half year ended 31 December 2006.

Net tangible assets per ordinary security	Current period	Previous corresponding period
Net tangible assets	**18,622 in $A'000**	**10,763 in $A'000**
Issued share capital at reporting date	**57,723 in $A'000**	**34,648 in $A'000**
Number of shares on issue at reporting date	**246,991,554**	**137,916,452**
Net tangible assets per ordinary security	**7.5 Cents**	**7.8 Cents**

Acquisitions and divestments

There have been no entities over which control has been gained or lost during the period ended 31 December 2006.

Associates and joint ventures

There are no equity accounted associates and joint venture entities.

Accounting Standards

The financial report has been prepared in accordance with Australian Equivalents to International Financial Reporting Standards.

Auditors review report

The review report prepared by the independent auditor KPMG is not subject to any dispute or qualification and is attached hereto.