

5 June 2009

Mr Rohan Abeyewardene
Adviser, Issuers (Brisbane)
ASX Markets Supervision Pty Ltd
Level 5
Riverside Centre
123 Eagle Street
Brisbane, QLD 4000

BY EMAIL: rohan.abeyewardene@asx.com.au

Dear Sir,

RE: APPENDIX 4C QUERY FOR THE MONTH ENDED 30 April 2009

We refer to the letter dated 2 June 2009 from Mrs Frances Finucan. Set out below is our response to each of the questions set out in the above-mentioned letter:

1. With reference to the Appendix 4C for the period ended 30 April 2009, the company's negative operating cash position was exceptionally high due to payment of inventory purchases to satisfy a large project. As such, the high cash outflow for the month of April is not reflective of the Company's usual monthly operating cash flows nor the Company's cash position moving ahead.

In the month of April the Company repaid a loan which in return reduced the cost of funds significantly.

Cash expenditure for subsequent months is expected to be lower than the cash expenditures incurred during the month of April 2009.

2. In addition to the projects and activities in China and Australia, Byte Power Group has been active in opening new opportunities for their Mediator solution and continues to strengthen its UPS business.

The need for organisations to cut costs and improve the bottom line by working smarter in this difficult economic climate has opened up a number of new markets in Retail and Advertising sectors where Mediator provides valuable real time monitoring data. With Mediator, physical and environmental issues that can impact on the business such as equipment failure or power outages can be quickly identified and corrected minimising any impact on operations and stock losses.

Revenues from these new opportunities are expected to come on-line in the near future as client organisations implement programs across their sites. This additional revenue will address in part the current negative cash flows.

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Brisbane, Melbourne
Singapore, Hong Kong
Chongqing (China)



Any negative cash flows in the short to medium term will be addressed through a capital raising and will be announced on completion.

3. The actual revenue and expenses of the Company for the month of April 2009 is in line with the management expectations.
4. Not applicable.
5. To date there are no significant changes to the business objectives and strategies outlined in the annual report for the period ending 30 June 2008 and Half Yearly Report for the period ending 31 December 2008.

The Company is continuing to seek additional capital and is currently negotiating the terms of a capital raising with potential investors. The capital raising will be by way of a converting loan to be converted to shares after shareholders approval is obtained. The Company will keep the market informed once these negotiations are finalized.

6. The Company confirms that it is in compliance with the ASX Listing Rules and in particular LR 3.1.
7. In the Company's opinion, it is in compliance with ASX LR 12.2 and its financial condition is adequate to warrant continued quotation of its securities and its continued listing.

Yours faithfully,



Ethel Lau
Company Secretary
Byte Power Group Limited



2 June 2009

Ms Ethel Lau
Company Secretary
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Dear Ms Lau

Byte Power Group Limited (the "Company")

I refer to the Company's Appendix 4C for the month ending April 2009 ("Appendix 4C") released on Friday, 29 May 2009.

ASX notes that the Company has reported the following.

1. Receipts from customers of \$40,000.
2. Net negative operating cash flows for the month of (\$309,000).
3. Cash at end of month of \$23,000.
4. Nil financing facilities available to be drawn upon.

In light of the information contained in the Appendix 4C please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the month ended 30 April 2009, as indicated by the Appendix 4C, the Company may not have had sufficient cash to fund its activities for another month. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C and if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. To what extent have the Company's actual revenues and expenses in the month, as reported in the Appendix 4C, matched the Company's anticipated revenues and expenses for that reporting period?

Australian Securities Exchange

Australian Stock Exchange
Sydney Futures Exchange

Australian Clearing House
SFE Clearing Corporation

ASX Settlement and Transfer Corporation
Austraclear

4. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
5. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives as set out in its annual report for the period ending 30 June 2008 (the "Annual Report") and Half Yearly Report for the period ending 31 December 2008 ("HY Report")? The Company's business objectives and strategies may have changed since the date of the Annual Report and HY Report. If so, this should be taken into account in your response.
6. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
7. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to Rohan Abeyewardene via email at rohan.abeyewardene@asx.com.au or by facsimile number (07) 3832 4114. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **9.30am (EST) on Friday, 5 June 2009**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries in relation to the above, please let me know.

Yours sincerely



Frances Finucan
Senior Adviser, Issuers (Brisbane)