JATENERGY LIMITED

ABN 31 122 826 242

ASX APPENDIX 4D
RESULTS FOR ANNOUNCEMENT TO THE MARKET
FOR THE SIX MONTHS ENDED 31 DECEMBER 2013

The following information should be read in conjunction with both the Financial Report for the year ended 30 June 2013 and the Interim Report for the half year ended 31 December 2013 and the attached auditors' review report.

This Appendix 4D is prepared in accordance with ASX Listing Rule 4.2A.3.

Reporting period: Half-year from 1 July 2013 to 31 December 2013.

Previous corresponding period: Half-year from 1 July 2012 to 31 December 2012.

Financial Results

Revenue from ordinary activities for the period:	Up 92% by $164,855 to $343,179.
Loss from ordinary activities after tax for the period attributable to members:	Up 202% by $1,258,287 to $1,879,597.
Net loss after tax for the period attributable to members:	Up 202% by $1,258,287 to $1,879,597.

The Company does not propose to pay dividends in the current period.

The Group incurred an after tax loss attributed to members of $1,879,597 for the six months to 31 December 2013 (2012: $621,289 loss). While the Group incurred a loss over the six months, it has made significant progress in developing its business. The key developments were:

1. A profit share arrangement was entered into with Chapman's Limited on Jongkang mining site. The site is to be reopened once the rainy season has expired over the next few weeks. The company is still seeking investment into its Gerrongang and Sebuku opportunities.
2. The marketing of Coal Plus technology has been successful in testing coal from Mongolia. The results of these test have shown this coal to be suitable for Coal Plus application. There have beeen a number of enquires from Russia and Japan on the ablility of coal plus to treat a vaierty of coal sources.
3. The agreement for sale of PT Coal Soal Brik (Katingan) to PT Prakasa Corporindo has expired. Both company's are in correspondence but Jatenergy has released the sale for third party purchase.
4. Our biomass and fuel project in central Java is still producing oil seeds but has been affected by recent difficult weather conditions.

Significant Events since Balance Sheet Date

Subsequent for year end the following events have occurred:

- The mine at Jongkang has reopened following the peak wet season months; and
- The sale to PT Prakarsa Corporindo of the Coal Soil Brik (Katingan Asset) has expired without completion of thecontract for sale. Jatenergy will keep communications open with PT Prakarsa Corporindo and also be open to negotiations for sale of the Coal Soil Brik Brik (Katingan Asset) to other third parties.

No matters have arisen since 31 December 2013 that have significantly affected, or may significantly affect the Company's operations in future financial years, the results of those operations in future financial years or the Company's state of affairs in future financial years.

Net Tangible Assets

	As at 31/12/2013	As at 30/6/2013
Net tangible assets per ordinary share	1.42 cents	1.58 cents

Associates and Joint Venture entities

Name	Ownership interest		Aggregate share of losses, where material		Contribution to net loss, where material	
	2013	2012	2013	2012	2013	2012
	(%)	(%)	($,000)	($,000)	($,000)	($,000)
Green Energy Joint Stock Co.—Vietnam	45.96	45.96	–	–	–	–

The accounts presented includes an auditors' report with an emphasis of matter regarding the going concern of the company.

JATENERGY LIMITED
ACN 122 826 242

INTERIM REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2013

Contents

JATENERGY LIMITED
ACN 122 826 242

Directors' report

Your directors present their report on the Company Jatenergy Limited and its consolidated entities for the half-year ended 31 December 2013.

Directors

The followings persons were directors of Jatenergy Limited during or since the end of the financial half year;

- Mr Anthony Crimmins, Executive Chairman
- Mr Xipeng Li, Non-Executive Director
- Mr Wilton Yao, Non-Executive Director (Appointed 26 November 2013) (Alternate for Mr Xipeng Li to 26 November 2013)
- Mr Richard Pritchard, Non-Executive Director (Resigned 26 November 2013)
- Mr Ian Gebbie, Non-Executive Director (Appointed 5 December 2013)

Principal activities

The principal activities of Jatenergy Limited are to develop conventional and renewable energy projects, with an initial focus on exploration and production of coal from Indonesia and Australia, coal plus technology to treat a variety of coal source's and on producing crude oil from its Indonesian oil seeds plantation.

Review of operations

The Group incurred an after tax loss attributed to members of $1,879,597 for the six months to 31 December 2013 (2012: $621,289 loss). While the Group incurred a loss over the six months, it has made significant progress in developing its business. The key developments were:

1. A profit share arrangement was entered into with Chapman's Limited on Jong Kang mining sites. The site is to be reopened once the rainy season has expired over the next few weeks. The company is still seeking investment into its Gerrongang and Sebuku opportunities.
2. The marketing of Coal Plus technology has been successful in testing coal from Mongolia. The results of these test have shown this coal to be suitable for coal plus application. There have beeen a number of enquires from Russia and Japan on the ablility of coal plus to treat a vaierty of coal sources.
3. The agreement for sale of PT Coal Soal Brik (Katingan) to PT Prakasa Corpoidno has expired. Both company's are in correspondence but Jatenergy has released the sale for third party purchase
4. Our biomass and fuel project in central Java is still producing oil seeds but has been affected by recent difficult weather conditions.

Significant Events since Balance Sheet Date

Subsequent for year end the following events have occurred

- The mine at Jongkang has reopend following the peak wet season months; and
- The sale to PT Prakarsa Corpindo of the Coal Soil Brik Katingen asset has expired without completion of thecontract for sale. Jatenergy will keep communications open with PT Prakarsa Corpindo and also be open to negotiations for sale of the Coal Soil Brik Katingen asset to other third parties .

Directors' report (cont.)

No other matters have arisen since 31 December 2013 that have significantly affected, or may significantly affect the Group's operations in future financial years, the results of those operations in future financial years or the Group's state of affairs in future financial years.

Earnings Per Security	**31 Dec 2013**	**31 Dec 2012**
Basic loss per share (cents per share)	1.9 cents	0.75 cents
Diluted loss per share (cents per share)	1.9 cents	0.75 cents

Net Tangible Asset Backing	**31 Dec 2013**	**31 Dec 2012**
Per Ordinary Security (cents per share)	1.42 cents	0.03 cents

In the half year to 31 December 2013, the Group has incurred losses of $1,896,576 and experienced net cash outflows of $141,301 as shown in the statement of profit or loss and other comprehensive income and statement of cash flows in this financial report. These results are consistent with the group's strategic objectives and budget estimates.

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

This report is made in accordance with a resolution of directors.

Tony Crimmins
Chairman

Dated this 26th day of February 2014

Grant Thornton Audit Pty Ltd
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Auditor's Independence Declaration
To The Directors of Jatenergy Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Jatenergy Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele
Partner - Audit & Assurance

Sydney, 26 February 2014

JATENERGY LIMITED

ACN 122 826 242

Statement of Profit or Loss and Other Comprehensive Income for the half year ended 31 December 2013

	Half-year	
	31 Dec 2013	**31 Dec 2012**
	($)	($)
Revenue	343,179	178,324
Consultancy expense	(237,754)	(277,436)
Directors remuneration	(50,584)	(79,240)
Depreciation and amortisation expense	(1,093)	(7,706)
Employee benefits	(69,949)	(129,121)
Professional fees	(77,738)	(30,421)
Travel costs	(9,147)	(30,791)
Occupancy costs	(63,674)	(119,330)
Insurance costs	(22,019)	(20,475)
Impairment of assets	(1,605,643)	-
Coal production costs	(15,609)	(42,168)
Finance costs	(2,726)	(2,773)
Foreign exchange losses	(30,537)	(5,750)
Other expenses	(53,282)	(70,098)
Loss before income tax	**(1,896,576)**	**(636,985)**
Income tax expense	-	-
Loss for the half-year	**(1,896,576)**	**(636,985)**
Other comprehensive income		
Items that may be reclassified to the profit or loss		
Exchange differences on translating foreign operations	(164,554)	16,369
Total comprehensive income for the period	**(2,061,130)**	**(620,616)**
Loss attributable to:		
- Members of the parent entity	(1,879,597)	(621,289)
- Non-controlling interest	(16,979)	(15,696)
	(1,896,576)	**(636,985)**
Total comprehensive income attributable to:		
- Members of the parent entity	(2,044,151)	(604,920)
- Non-controlling interest	(16,979)	(15,696)
	(2,061,130)	**(620,616)**
Loss per share for loss attributable to the ordinary equity holders of the Company:		
Basic loss per share (cents per share)	1.9 cents	0.75 cents
Diluted loss per share (cents per share)	1.9 cents	0.75 cents

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

JATENERGY LIMITED

ACN 122 826 242

Statement of Financial Position as at 31 December 2013

	Note	31 Dec 2013	30 Jun 2013
		($)	($)
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		569,819	708,772
Trade and other receivables		970,051	952,733
Assets Held for Sale	5	1,478,235	1,478,235
TOTAL CURRENT ASSETS		**3,018,105**	**3,139,740**
NON-CURRENT ASSETS			
Property, plant and equipment		283,631	287,905
Intangibles	6	-	1,605,643
TOTAL NON CURRENT ASSETS		**283,631**	**1,893,548**
TOTAL ASSETS		**3,301,736**	**5,033,288**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		136,406	124,447
Unearned Revenue		217,619	-
TOTAL CURRENT LIABILITIES		**354,025**	**124,447**
TOTAL LIABILITIES		**354,025**	**124,447**
NET ASSETS		**2,947,711**	**4,908,841**
EQUITY			
Contributed equity	7	26,526,160	26,426,160
Non-controlling interest		945,974	962,953
Reserves	8	(90,158)	425,888
Accumulated losses		(24,434,265)	(22,906,160)
TOTAL EQUITY		**2,947,711**	**4,908,841**

The above statement of financial position should be read in conjunction with the accompanying notes.

JATENERGY LIMITED

ACN 122 826 242

Statement of Changes in Equity
for the Half Year ended 31 December 2013

	Contributed equity	Non-controlling Interest	Reserves	Accumulated losses	Total
	($)	($)	($)	($)	($)
Balance as at 1 July 2012	25,655,160	5,709	602,376	(20,735,499)	5,527,746
Other comprehensive income	-	-	16,369	-	16,369
Loss for period	-	(15,696)	-	(621,289)	(636,985)
Total comprehensive income for the period	**-**	**(15,696)**	**16,369**	**(621,289)**	**(620,616)**
Transactions with owners in their capacity as owners:					
Shares issued during the period	771,000	1,000,000	-	-	1,771,000
Balance as at 31 December 2012	**26,426,160**	**990,013**	**618,745**	**(21,356,788)**	**6,678,130**
Balance as at 1 July 2013	26,426,160	962,953	425,888	(22,906,160)	4,908,841
Other comprehensive income	-	-	(164,554)	-	(164,554)
Loss for period	-	(16,979)	-	(1,879,597)	(1,896,576)
Total comprehensive income for the period	**-**	**(16,979)**	**(164,554)**	**(1,879,597)**	**(2,061,130)**
Transactions with owners in their capacity as owners:					
Shares issued during the period	125,000	-	-	-	125,000
Transaction Costs	(25,000)	-	-	-	(25,000)
Reserves released to Retained Earnings	-	-	(351,492)	351,492	-
Balance as at 31 December 2013	**26,526,160**	**945,974**	**(90,158)**	**(24,434,265)**	**2,947,711**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

JATENERGY LIMITED
ACN 122 826 242

Statement of Cash Flows
for the Half Year ended 31 December 2013

	31 Dec 2013	31 Dec 2012
	($)	($)
Cash flows from operating activities		
Cash receipts from customers	72,738	67,774
Payments to suppliers and employees (inclusive of GST)	(628,214)	(772,068)
Interest received	7,647	4,687
Net cash outflow from operating activities	**(547,829)**	**(699,607)**
Cash flows from investing activities		
Deposit on Investment	406,528	(150,753)
Net cash inflow on / (outflow) from investing activities	**406,528**	**(150,753)**
Cash flows from financing activities		
Proceeds from issue of shares	-	1,756,000
Net cash inflow from financing activities	**-**	**1,756,000**
Net (decrease)/increase in cash and cash equivalents	**(141,301)**	**905,640**
Cash and cash equivalents at the beginning of the half-year	**708,772**	**618,901**
Effect of exchange rates on cash holdings in foreign currencies	2,348	(3,459)
Cash and cash equivalents at the end of the half-year	**569,819**	**1,521,082**

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 1—Basis of Preparation of Half-Year Report

These general purpose financial statements for the half-year reporting period ended 31 December 2013 have been prepared in accordance with the requirements of 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 Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Jatenergy Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below.

New and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

(i) *Consolidated financial statements, joint arrangements and disclosure of interests in other entities*

The group has adopted the following new and revised Australian Accounting Standards from 1 July 2013 together with consequential amendments to other Standards:

- AASB 10: *Consolidated Financial Statements;*
- AASB 127: *Separate Financial Statements* (August 2011);
- AASB 11: *Joint Arrangements;*
- AASB 128: *Investments in Associates and Joint Ventures* (August 2011);
- AASB 12: *Disclosure of Interests in Other Entities;*
- AASB 2011-7: *Amendments to Australian Accounting Standards arising from the Consolidated and Joint Arrangements Standards;* and
- AASB 2012-10: *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments.*

These Standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. The Group has applied these Accounting Standards retrospectively in accordance with AASB 108: *Accounting policies, Changes in Accounting Estimates and Errors* and the specific transition requirements in AASB 10 and AASB 11. The effects of initial application of these Standards in the current half-year reporting period are as follows:

- *Consolidated Financial Statements:*

AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. Revised AASB 127 facilitates the application of AASB 10 and prescribes requirements for separate financial statements of the parent entity. On adoption of AASB

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 1—Basis of Preparation of Half-Year Report (cont.)

10, the assets, liabilities and non-controlling interests related to investments in businesses that are now assessed as being controlled by the Group, and were therefore not previously consolidated, are measured as if the investee had been consolidated (and therefor applied acquisition accounting in accordance with AASB 3: *Business Combinations*) from the date when the Group obtained control of that investee on the basis of the requirements in AASB 10.

Upon the initial application of AASB 10, retrospective restatement of financial statement amounts of the year that immediately precedes the date of initial application (i.e. 2012-2013) is necessary. When control is considered to have been obtained earlier than the beginning of the immediately preceding year (i.e. pre-1 July 2012), any difference between the amount of assets, liabilities and non-controlling interests recognised and the previous carrying amount of the investment in that investee is recognised as an adjustment to equity as at 1 July 2012.

Although the first-time application of AASB 10 (together with the associated Standards) caused certain changes to the Group's accounting policy for consolidation and determining control, it did not result in any changes to the amounts reported in the Group's financial statements as the "controlled" status of the existing subsidiaries did not change, nor did it result in any new subsidiaries being included in the Group as a consequence of the revised definition. However, the revised wording of accounting policy for consolidation is set out below.

- *Joint arrangements:*

AASB 11 requires joint arrangement to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Revised AASB 128 facilitates the application of AASB 11 and incorporates guidance relating to the equity method of accounting. Joint ventures will generally be required to be accounted for using the equity method under AASB 11. The proportionate consolidation method is no longer permitted. However, this will not have any impact on the Group's financial statements as the Group has no interest in joint ventures.

- Disclosure of interest in other entities:

AASB 12 is the Standard that addresses disclosure requirements of AASB 10, AASB 11, AASB 127 and AASB 128.

(ii) *Fair Value measurements and disclosures*

The Group has adopted AASB 13: *Fair Value Measurement* and AASB 2011-8: *Amendments to Australian Accounting Standards arising from AASB 13* from 1 July 2013 together with

Note 1—Basis of Preparation of Half-Year Report (cont.)

consequential amendments to other Standards. These standards became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013. AASB 13 sets out a comprehensive framework for measuring the fair value of assets and liabilities and prescribes enhanced disclosures regarding all assets and liabilities measured at fair value. This standard does not affect the group's accounting policies or the amount, reports in the financial statements.

(iii) *Stripping costs*

The Group has adopted AASB interpretation 20: *Stripping Costs in the Production Phase of a Surface Mine* and AASB 2011-12: *Amendments to Australian Accounting Standards arising from Interpretation 20* from 1 July 2013. The Interpretation and the Amending Standard became mandatorily applicable from 1 January 2013 and became applicable to the Group for the first time in the current half-year reporting period 1 July 2013 to 31 December 2013.

Interpretation 20 addresses waste removal costs that are incurred in surface mining activity ("stripping costs") during the production phase of the mine and prescribes accounting requirements for recognition and measurement of such costs. On transition, existing production phase stripping costs need to be written off to retained earnings unless they can be attributed to an identifiable component of an ore body.

The directors have determined that the Interpretation did not result in any significant changes to the amount reported in the Group's financial statements, as the Group does not have any previously recognized asset balances that result from stripping activity undertaken during the production phase of a period presented (i.e. as at 1 July 2012).

(iv) *Other*

Other new and amending Standards that became applicable to the Group for the first time during this half-year reporting period are as follows:

AASB 2012-2: *Amendments to Australian Accounting Standards - Disclosures – Offsetting Financial Assets and Financial Liabilities* and AASB 2012-5: *Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle.*

These Standards make changes to presentation and disclosure requirements, but did not affect the Group's accounting policies or the amounts reported in the financial statements.

AASB 119: *Employee Benefits* (September 2011) and AASB 2011-10: *Amendments to Australian Accounting Standards arising from AASB 119* (September 2011).

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 1—Basis of Preparation of Half-Year Report (cont.)

These Standards do not affect the Group's accounting policies or the amount reported in the financial statements, mainly because the Group does not have defined benefit plan assets or obligation.

These financial statements were authorised for issue by the board of directors on 26 February 2014.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Jatenergy Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls any entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments have been made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of Comprehensive income.

Going Concern

The Group financial statements have been prepared and presented on a basis assuming it continues as a going concern. During the period ended 31 December 2013, the group incurred an operating loss before tax and had net cash outflows from operating activities as disclosed in the statement of profit or loss and other comprehensive income and statement of cash flow respectively.

The Group is in negotiations on the disposal of the PT Coal Soil Brik (Katingan). In addition, management are actively managing its cash flows, controlling costs, equity raising where required and revising development plans as necessary. On the basis of these factors, although there is material uncertainty, the group's cash flow forecast fully supports the director's view that is appropriate for the accounts to be prepared on a going concern basis and that the company will be able to meet its debts as when they become due and payable.

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 1—Basis of Preparation of Half-Year Report (cont.)

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Estimates

When preparing the interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2013.

Note 2—Loss from Ordinary Activities

All revenue and expense items that are relevant in explaining the financial performance for the interim period have been included in the statement of profit or loss and other comprehensive income.

Note 3—Dividends

No dividends have been declared or paid during the period.

Note 4—Operating Segments

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The group is managed primarily on the basis of product category. The group's operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold provided by the segment;
- the planting process;
- the type or class of customer for the products;
- the distribution method; and
- external regulatory requirements.

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 4—Operating Segments (cont.)

The primary business segments within which the company operates are biofuel and coal mining and the primary geographic segment is Asia Pacific. For primary reporting purposes, the entity operates predominantly in two geographical areas, being Australia and Indonesia. The group has a 45.96% (Vietnam) and 70% (Indonesia) investment in joint venture companies in the same business segment being biofuels. The investment in Vietnam is not controlled and is deemed not to constitute a reportable segment and is not of a material nature. The investment in Indonesia is a controlled entity.

The revenues and profit generated by each of the Group's operating segments and segment assets are summarised as follows:

Six months to 31 December 2013	**Coal 2013**	**Oilseeds 2013**	**Total 2013**
	($)	($)	($)
Revenue			
From external customers	215,474	79,374	294,848
From other segments	-	-	-
Segment revenues	215,474	79,374	294,848
Segment operating (loss)/profit	(1,370,279)	68,033	(1,302,246)
Segment assets	2,074,570	421,645	2,496,215

Six months to 31 December 2012	**Coal 2012**	**Oilseeds 2012**	**Total 2012**
	($)	($)	($)
Revenue			
From external customers	161,570	-	161,570
From other segments	-	-	-
Segment revenues	161,570	-	161,570
Segment operating loss	(61,035)	(18,232)	(79,267)
Segment assets	4,290,417	307,648	4,598,065

The Group's segment operating profit reconciles to the Group's profit before tax as presented in its financial statements as follows:

	Six months to 31 Dec 2013	**Six months to 31 Dec 2012**
	($)	($)
Profit or loss		
Total reporting segment operating loss	(1,302,246)	(79,267)
Other corporate expenses	(601,449)	(559,631)
Share-based payment expenses	-	-
-Elimination of intersegment loss	-	-
Group operating loss	(1,903,694)	(638,898)
Finance costs	(2,726)	(2,773)

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 4—Operating Segments (cont.)

The primary business segments within which

	Six months to 31 Dec 2013	Six months to 31 Dec 2012
	($)	**($)**
Finance income	9,844	4,686
Other financial items	-	-
Group loss before tax	**(1,896,576)**	**(636,985)**

Note 5 – Assets held for sale

	As at 31 December 2013	As at 30 June 2013
	($)	($)
Assets held for sale	1,478,235	1,478,235

On 15th July 2013 the Group entered into a contract to sell its Katingan (PT Coal Soal Brik) asset. It is highly probable that the asset will be sold within 12 months of year end.

Note 6—Intangible Assets

	As at 31 December 2013	As at 30 June 2013
	($)	($)
Contracts at Cost	4,566,330	4,366,330
Accumulated Impairment Losses	(4,566,330)	(2,760,687)
Net Carrying Amount	-	1,605,643

The fair value of the mining services contract has been calculated based on net future cash flows generated from the contract. A total of $4,366,330 was allocated to this contract. At 30 June 2012, a re-assessment of the net future cash flows was made and at 30 June 2013 a further re-assessment was made.

At 30 June 2013, the key assumptions used in the valuation included a discount rate of 21%. Revenues were based on forecasted coal production of 435,000 tonnes with an effective margin of $8USD per tonne. The $US to $Australian exchange rate was 1.09339. The contract life is 2.5 years and in accordance with the Group's accounting amortisation will occur on a systematic basis over the life of the contract once coal production commences. Based on these key assumptions, an impairment expense of $1.2m (2012:$1.6m) was recognised.

The directors have reanalysed their assumptions of the cash flows of the mining contracts at 31 December 2013. As they do not believe that mining will be undertaken in the short to medium term they have decided to impair the value of these contracts.

Notes to the Financial Statements for the Half Year ended 31 December 2013

Note 7— Contributed Equity

(a) Share Capital

	Note	As at 31 December 2013 ($)	As at 30 June 2013 ($)
Ordinary Shares 103,565,568 (30 June 2013 98,565,568)			
Fully paid shares	(b)	26,526,160	26,426,160
		26,526,160	26,426,160

(b) Movements in Ordinary Share Capital

	As at 31 December 2013 No:	As at 30 June 2013 No:
At the beginning on reporting period	98,565,568	79,290,568
12 September 2012		3,025,000
5 October 2012		1,500,000
30 October 2012		375,000
7 November 2012		12,500,000
6 December 2012		1,875,000
26 August 2013	5,000,000	-
Closing Balance	103,565,568	98,565,568

Note 8 – Reserves

	As at 31 December 13 ($)	As at 30 June 13 ($)
Share-based payments reserve	-	351,492
Options Reserve	264,083	264,083
Foreign currency translation reserve	(354,241)	(189,687)
	(90,158)	425,888

Note 9 —Contingent Liabilities

The group had no significant contingent liabilities at 31 December 2013 or at 30 June 2013.

Note 10—Related Party Transactions

During the half-year ended 31 December 2013 and 31 December 2012 no material related party transactions occurred.

Notes to the Financial Statements
for the Half Year ended 31 December 2013

Note 11—Events Occurring after the Balance Sheet Date

Subsequent to year end the following events occurred

- The mine of Jongkang has re-opened following the peak wet season months; and
- The sale to PT Prakarsa Corporindo of the Coal Soil Brik (Katingan Asset) has expired without completion of the contract for sale. Jatenergy will keep communications open with PT Prakarsa Corporindo and will remain open to negotiations for sale of the Coal Soil Brik (Katingan Asset) to other third parties.

No other matters have arisen since 31 December 2013 that have significantly affected, or may significantly affect the Company's operations in future financial years, the results of those operations in future financial years or the Company's state of affairs in future financial years.

Directors' Declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 6 to 18 are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standard AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Jatenergy Limited 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 directors.

Tony Crimmins, Chairman
Sydney

Dated this 26th day of February 2014.

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Independent Auditor's Review Report
To the Members of Jatenergy Limited

We have reviewed the accompanying half-year financial report of Jatenergy Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year..

Directors' responsibility for the half-year financial report

The directors of Jatenergy Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Jatenergy Limited consolidated entity's financial position as at 31 December 2013 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 Jatenergy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a 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 complied with the independence requirements of the Corporations Act 2001.

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 Jatenergy Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the consolidated entity incurred a net loss of $1,896,576 and net cash outflows from operating activities for the half-year 31 December 2013. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

A G Rigele
Partner - Audit & Assurance

Sydney, 26 February 2014