

Sirius Corporation Limited ABN 94 050 240 330
Half-year report – 31 December 2008

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This interim financial report does not include all of 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 2008 and any public announcements made by Sirius Corporation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Sirius Corporation Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Sirius Corporation Limited
Suite 4, Level 8
616 St Kilda Road
Melbourne, Vic 3004.

Through the use of the Internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the company. All press releases, financial statements and other information are available at our Shareholders' Centre on our website: www.sirius.com.au.

For queries in relation to our reporting please call the Company Secretary (03) 9520 7800, or e-mail "questions@sirius.com.au."

DIRECTORS REPORT

Your directors present their report on the consolidated entity consisting of Sirius Corporation Limited and the entities it controlled ("Sirius") at the end, or during, the half-year ended 31 December 2008.

Directors

The following persons were directors of Sirius Corporation Limited during the whole of the half-year, unless otherwise specified: -

Mr. Francesco Licciardello (Managing Director)	appointed 14 March 2007
Mr. Roger Mason (Chairman – Non-executive Director)	re-elected 25 November 2008
Mr. Arthur Lagos (Non-executive Director)	re-elected 30 October 2007
Mr. Keith Goss (Non-executive Director)	re-elected 30 October 2007

Overview and review of operations

Highlights during the half:

- Infomaster - revenue down due to delays
- Sirius Managed Services Division meets half-year divisional budget.
- Sirius Corporate costs further reduced as part of planned cost-cutting measures instigated in October 2008
- Infomaster attains Microsoft Gold Partner Status – Software Development
- Infomaster awarded 2 new Local Government Awards
- Further acquisition and merger targets identified (all profitable) and in advanced discussions

The last 6 months has been disappointing for the group. There have been delays in some large contracts, which have affected the results. We have noticed a deferral of decisions in many tender decisions and contracts. Of the current tender bids that we have been shortlisted down to one of two vendors, we believe we will achieve success.

Activity in the local government sector has been high in the last 6 months and the Infomaster business has responded to over 15 tender submissions, of which we have been officially shortlisted down to 1 of 2 vendors in 8 tender submissions. In addition we have been officially advised as the successful tenderer in two tender responses and have formally proceeded to the contract negotiation phase of the process. We expect to sign the contracts in the next 30 days, at which time the company will make an announcement to the market.

Infomaster is on track to deliver revenue on existing contracts that have shown a slow down in delivery due to customer internal processes and procedures in the next six months.

As a result of the deferrals in decision of certain contracts in the last 6 months, the company planned and executed a cost cutting program in October 2008 that has resulted in reducing our corporate overhead going forward by a further \$280K per annum. The cost of implementing this program with the cost of redundancies resulted in approximately \$100K in one-off costs incurred in the first half. In addition, cash payments of long term and short term entitlements adversely affected our cash position.

Infomaster's leading edge, MasterPlan software solution continued to receive awards in the last 6 months, achieving recognition both locally and internationally. The 2008 award for excellence to Infomaster from the Society of Local Government Managers in New Zealand was a major success. The importance of these awards has been noticed by other prospective customers as the award recognition and application processes is driven by our customers and not Infomaster, which makes the award more recognised within the Local Government community in general.

DIRECTORS REPORT (continued)

The Sirius Managed Services (SMS) division achieved 99% of its budget. The Canberra based labour hire business was slightly down on budget and the Messaging and Games divisions of this Group all achieved budget in the first six months.

M&A Update

The company is continuing to look at M&A opportunities to address the scale and lack of critical mass issues faced by the group. The group has been searching for target companies that possess the following criteria:-

- A strong history of profitability
- Growth potential with emerging technology in large markets
- high levels of recurrent contracted support revenue
- Outright ownership of Intellectual Property
- A standalone management team

However, considering the unprecedented change in the current financial climate, the directors believe that while finding target companies that possess the criteria can be readily found, the group's ability to raise capital required to execute transactions at current market prices is highly unlikely in the current environment.

Therefore, the board has amended the search mandate to also potentially include transactions that will involve the acquisition of a very large business that is searching for a compliance listing. This is in affect a reverse take-over, which would result in a potential change of control.

As first announced at the 2008 AGM, the company has been in discussions with other small cap listed software companies with the view to merging so that scale can be increased and efficiencies gained through the rationalization of corporate and listing costs. We are well advanced in discussions and believe a transaction may be likely by 30 June 09.

Our corporate bankers continue to support the group despite financial results being below forecast and all our current facilities are still in place. Our senior debt facility is being amortized at an aggressive rate of \$25K per month. These payments coupled with the first 6 months poor results have had an impact on our cash position. As at December 2008 we have cash of \$720k against senior debt of \$690k.

Outlook

The company is focused on returning to full year operational profitability and despite the first half's disappointing results due to delays in the delivery of orders, full year profitability should be achieved. The high likelihood of further contract wins in the second half, should see the first half losses recouped. In addition, the benefits of the cost-cutting measures absorbed in the first half results will start to have a positive effect on the results in the second half.

The Managed Services Division has continued to maintain and service its long-term loyal customer base in the three sectors of this division and continues to contribute profit to the Group. This will continue in the second half.

The Board is reviewing M&A targets, which meet our amended criteria, and we expect a transaction will be completed by 30 June 2009. This will build shareholder value while our current small businesses grow organically.

DIRECTORS REPORT (continued)

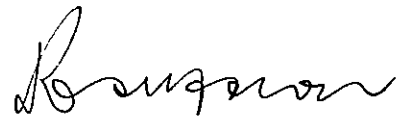
Auditor's Independence Declaration

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 the directors:

A handwritten signature in black ink, appearing to read 'F. Licciardello', with a stylized, cursive flourish extending to the right.

FRANCESCO LICCIARDELLO
Managing Director
Melbourne
27 February 2008

A handwritten signature in black ink, appearing to read 'Roger Mason', in a cursive script.

ROGER MASON
Chairman
Melbourne
27 February 2008

RSM Bird Cameron Partners

Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Sirius Corporation Limited for the half year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

RSM Bird Cameron Partners
RSM BIRD CAMERON PARTNERS

Chartered Accountants

Jason Croall
J S CROALL
Partner

Melbourne
27 February 2009

Consolidated Income Statement
For the half-year ended 31 December 2008

		2008	Half-year 2007
	Notes	\$	\$
Revenue from continuing operations		2,529,674	2,879,244
Other income - Gain on Acquisition	12	-	1,562,525
Cost of goods sold		(63,968)	(66,891)
Operating lease payments (exc occupancy)		(7,200)	(133,074)
Telecommunication carrier expenses		(125,283)	(131,703)
Employee benefits, other labour & related expenses		(1,957,015)	(2,199,105)
Occupancy expenses		(208,453)	(183,773)
Travel, accommodation and entertainment expenses		(122,731)	(177,293)
Professional fees (non Director related)		(95,242)	(108,485)
Insurance		(12,768)	(71,429)
Borrowing cost expenses		(83,466)	(47,787)
Other expenses from operating activities (net)		(103,466)	(99,417)
Marketing expenses		(126,453)	(106,112)
Depreciation expenses		(100,653)	(183,228)
Amortisation expenses		(613,501)	(530,934)
Impairment on Investment		(30,000)	-
Profit (Loss) from continuing operations before income tax		(1,057,329)	402,538
Income tax expense/(benefit)		-	(219,618)
Profit (Loss) from continuing operations after tax		(1,057,329)	622,156
Profit (loss) from discontinued operations		-	(100,382)
Profit (Loss) attributable to members of Sirius Corporation Limited after tax		(1,057,329)	521,774
Total changes in equity other than those resulting from transactions with owners as owners		(1,057,329)	521,774
		Cents	Cents
Earnings per share for profit (loss) attributable to the ordinary equity holders of the company:			
Basic earnings per share		(1.05)	0.6
Diluted earnings per share		(i)	(i)
(i) Not materially different to basic earnings per share			

The above consolidated income statement should be read in conjunction with the accompanying notes

Consolidated Balance Sheet
As at 31 December 2008

		31 December	30 June
		2008	2008
	Notes	\$	\$
Current Assets			
Cash and Cash Equivalents	3	718,015	1,564,791
Trade & Other Receivables	4	514,241	1,275,125
Other	5	681,505	837,226
Total Current Assets		1,913,761	3,677,142
Non Current Assets			
Investments		210,000	240,000
Property Plant & Equipment	6	525,716	615,363
Intangible Assets	7	4,252,625	4,449,348
Total Non Current Assets		4,988,341	5,304,711
TOTAL ASSETS		6,902,102	8,981,853
Current Liabilities			
Trade and Other Payables	8	1,559,381	1,888,537
Interest Bearing Liabilities	9	689,979	332,465
Other	10	705,675	1,274,367
Total Current Liabilities		2,955,035	3,495,369
Non Current Liabilities			
Interest Bearing Liabilities		30,780	554,158
Other		65,093	6,346
Provisions	11	111,405	128,862
Deferred Tax Liabilities		723,651	723,651
Total Non Current Liabilities		930,929	1,413,017
TOTAL LIABILITIES		3,885,964	4,908,386
NET ASSETS		3,016,138	4,073,467
Equity			
Contributed Equity		10,337,944	10,337,944
Reserves		-	-
Accumulated Losses		(7,321,806)	(6,264,477)
TOTAL EQUITY		3,016,138	4,073,467

The above consolidated balance sheet should be read in conjunction with the accompanying notes

**Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2008**

	Half-year	
	2008	2007
	\$	\$
Total equity at the beginning of the half-year	4,073,467	1,519,315
Increase in options reserve	-	12,490
Increase in equity	-	2,402,966
Profit (Loss) for the half-year	(1,057,329)	521,774
Total equity at the end of the half-year	<u>3,016,138</u>	<u>4,456,545</u>

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

Consolidated Cash Flow Statement
For the half-year ended 31 December 2008

	2008	Half-year 2007
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	2,816,498	5,383,001
Payments to suppliers and employees (inclusive of GST)	(3,122,464)	(4,990,613)
	<u>(305,966)</u>	<u>392,388</u>
Interest received	30,699	13,079
Finance costs	-	(47,889)
Income taxes paid	7,232	-
Net cash inflow/(outflow) from operating activities	<u>(268,035)</u>	<u>357,578</u>
Cash flows from investing activities		
Payments for property plant and equipment	(9,006)	(23,296)
Proceeds from disposal of SCS division	-	-
Payments for purchase of subsidiary, net of cash acquired	-	(3,038,026)
Payments for development costs	(393,841)	(442,677)
Net cash inflow/(outflow) from investing activities	<u>(402,847)</u>	<u>(3,503,999)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	1,068,013
Repayment of borrowings	(175,894)	(113,041)
Proceeds from rights issues	-	2,337,363
Net cash inflow/(outflow) from financing activities	<u>(175,894)</u>	<u>3,292,335</u>
Net increase/(decrease) in cash held	<u>(846,776)</u>	<u>145,914</u>
Cash at the beginning of the financial year	1,564,791	166,424
Cash and cash equivalents at the end of the half-year	<u>718,015</u>	<u>312,338</u>

The above consolidated cash flow statement should be read in conjunction with the accompanying notes

**Notes to the consolidated financial statements
For the half-year ended 31 December 2008**

1. Basis for preparation of half-year financial reports

This general purpose financial report for the interim half-year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The interim financial report does not include all of 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 2008 and any public announcements made by Sirius Corporation Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The financial statements have been prepared on the basis of going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and liabilities will occur in the normal course of business.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period unless otherwise stated.

1(a). Going Concern

The financial report has been prepared on a going concern basis. At 31 December 2008, the consolidated entity had a negative working capital position and has incurred a loss from operations and negative operating cashflows for the period. The directors are of the view that the consolidated entity needs to pursue other investment opportunities in order to achieve a viable business model into the future. The directors are currently pursuing such opportunities.

The directors have prepared cash flow forecasts for the next 12 months, which support the going concern assumption, and which include a number of significant cash inflows. These are as follows:

- (i). The company has been officially advised as the successful tenderer in two tender's responses and has formally proceeded to the contract negotiation phase of the process. The directors expect to sign the contracts in the next 30 days at which time the company will make an announcement to market.
- (ii). Under the contract of sale for the old Phoneware division the company is still owed \$400,000 of which \$200,000 is a guaranteed payment to be paid on 9 May 2009 and the balance of \$200,000 by August 2009, subject to certain earn-out provisions, which the directors believe will be met.

Should the forecast level of revenue not be achieved and other investment opportunities are also not achieved, there is a possibility additional funding from either investors or financiers may be required. The directors are confident that this additional funding will not be required as they believe either the forecast level of revenue will be achieved or new investment options will be created. In the event that both forecast revenues and new investments are not achieved, there would be significant uncertainty as to whether the consolidated entity would continue as a going concern and therefore whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessary if the consolidated entity does not continue as a going concern.

2. Segment Information

The consolidated entity and all its controlled entities operate in the information technology industry and are considered by the Board to operate within a single segment of that industry, being the field of Software & Solutions.

The activities of the consolidated entity are carried out wholly from within the Australasian region, which is considered by the Board to represent one geographical market.

Notes to the consolidated financial statements (continued)
For the half-year ended 31 December 2008

3. Current Assets – Cash & Cash Equivalents

	31 December 2008	30 June 2008
	\$	\$
Cash at bank and on hand	718,015	1,564,791
	718,015	1,564,791

Included in cash at bank and on hand is a \$700,000 term deposit with the ANZ Bank to which access has been frozen, as outlined in note 9.

4. Current Assets – Trade & Other Receivables

	31 December 2008	30 June 2008
	\$	\$
Trade Debtors	514,241	1,306,125
Less Provision for Doubtful Debts	-	(31,000)
	514,241	1,275,125

5. Current Assets – Other

	31 December 2008	30 June 2008
	\$	\$
Prepayments	79,154	98,815
Deposits	7,465	14,278
Accrued Income	112,989	102,576
Sundry debtors	481,897	621,557
	681,505	837,226

Notes to the consolidated financial statements (continued)
For the half-year ended 31 December 2008

6. Non-current assets – Property, plant & equipment

	31 December 2008	30 June 2008
	\$	\$
Leasehold Improvements		
At cost	140,070	140,070
Accumulated depreciation	(26,531)	(22,949)
	<u>113,539</u>	<u>117,121</u>
Plant and Equipment		
At cost	4,317,921	4,309,643
Accumulated depreciation	(3,905,744)	(3,811,401)
	<u>412,177</u>	<u>498,242</u>
Total Property, Plant & Equipment	<u>525,716</u>	<u>615,363</u>

7. Non-current assets – Intangibles

	31 December 2008	30 June 2008
	\$	\$
IT Development	1,099,956	683,177
Less: Accumulated Amortisation	(249,182)	(133,363)
	<u>850,774</u>	<u>549,814</u>
Customer maintenance contracts	2,773,917	2,773,917
Less: Accumulated Amortisation	(554,789)	(369,856)
	<u>2,219,128</u>	<u>2,404,061</u>
Software	2,502,083	2,502,083
Less: Accumulated Amortisation	(1,319,360)	(1,006,610)
	<u>1,182,723</u>	<u>1,495,473</u>
Total Intangibles	<u>4,252,625</u>	<u>4,449,348</u>

8. Current Liabilities – Trade & Other Payables

	31 December 2008	30 June 2008
	\$	\$
Trade Payables	1,077,476	1,306,416
Other Payables	481,905	582,121
	<u>1,559,381</u>	<u>1,888,537</u>

Notes to the consolidated financial statements (continued)
For the half-year ended 31 December 2008

9. Current Liabilities – Interest Bearing Liabilities

	31 December 2008	30 June 2008
	\$	\$
Loans	656,000	300,000
Lease Liability	33,979	32,465
	689,979	332,465

Note the company has two financial covenants associated with this facility, which were breached during the period being:

- (i). EBIT Interest Cover, and
- (ii). Debt to EBITDA.

At the date of this report, the ANZ Bank has taken no action under the terms of the Fully Drawn Advance Facility relating to these breaches and all group banking facilities remain in place. However, the ANZ Bank has placed a freeze on the term deposit held valued at \$700,000, classified as cash in the 31 December 2008 financial statements.

10. Current Liabilities – Other

	31 December 2008	30 June 2008
	\$	\$
Income in Advance	705,675	1,274,367
	705,675	1,274,367

11. Non-Current Liabilities – Provisions

	31 December 2008	30 June 2008
	\$	\$
Employee Benefits - LSL	111,405	128,862
	111,405	128,862

12. Business Combination

(a) Summary of acquisition

On 1 July 2007 the parent entity acquired 100% of the issued share capital of IFMA Pty Ltd.

The acquired business contributed revenues of \$1,748,443 and net profit of \$149,701 to the Group for the period 1 July 2007 to 31 December 2007.

Details of the fair value of the assets and liabilities acquired and gain on acquisition are as follows

	\$
Purchase consideration:	
Cash Paid	2,887,368
Fair values of shares issued	100,000
Direct costs relating to the acquisition	514,307
Total purchase consideration	3,501,675
Fair value of net identifiable assets acquired (refer to (b) below)	5,064,200
Gain on Acquisition	1,562,525

Notes to the consolidated financial statements (continued)
For the half-year ended 31 December 2008

12. Business Combination

(b) Assets and Liabilities arising from acquisition (at 1 July 2007)

	Acquiree's carrying amount \$	Fair Value \$
Cash & cash equivalents	364,649	364,649
Trade Receivables	834,966	834,966
Other Assets	99,809	99,809
Plant & Equipment	327,011	327,011
Trade Payables	(515,986)	(515,986)
Other Liabilities	(184,019)	(184,019)
Borrowings	(149,929)	(149,929)
Employee benefits liabilities	(270,133)	(270,133)
Intellectual Property – Software & Maintenance	-	5,276,000
Deferred Tax Asset	-	113,832
Deferred Tax Liability	-	(832,000)
	<u>506,368</u>	<u>5,064,200</u>

13. Discontinued operations - Asset Sale of Phoneware Communication Systems Pty Ltd

(a) Description

On 1 May 2008, Sirius Corporation Limited executed an asset sale agreement for its subsidiary company, Phoneware Communication Systems Pty Ltd, which provided Telecom Expense Management (TEM) services to large enterprises.

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

(b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the period 1 July 2007 to 31 December 2007.

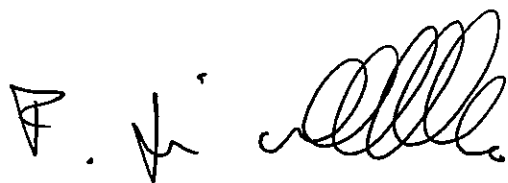
	31 December 2008	31 December 2007
Revenue	-	1,412,932
Expense	-	(1,513,314)
Profit/(loss) before income tax	-	(100,382)
Net cash inflow from operating activities	-	690,842
Net cash inflow (outflow) from investing activities	-	-
Net cash (outflow) from financing activities	-	-
Net increase in cash generated by the division	-	690,842

DIRECTORS' DECLARATION

The Directors declare that:


1. the financial statements and notes set out on pages 6 to 14, are in accordance with the Corporations Act 2001 and:
 - a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) give a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date;
2. as alluded to in Note 1(a) on going concern, 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.



FRANCESCO LICCIARDELLO
Managing Director

Melbourne, 27 February 2008



ROGER MASON
Director

Melbourne, 27 February 2008

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF

SIRIUS CORPORATION LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Sirius Corporation Limited ("the consolidated entity") which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, accompanying notes to the financial statements and the directors' declaration. The consolidated entity comprises both Sirius Corporation Limited as the parent entity and the entities it controlled during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 financial report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2008 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 Sirius Corporation Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

Auditor's Responsibility (cont.)

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 have 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 Sirius Corporation 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 2008 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*.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our conclusion, we draw attention to Note 1(a) in the half-year financial report which indicates that the consolidated entity has a negative working capital position as at 31 December 2008 and in the event that cash flow forecasts or other investment opportunities are not achieved then there is a possibility that additional funding may be required from either investors or financiers. These conditions, along with other matters as set forth in Note 1(a), 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, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.


RSM BIRD CAMERON PARTNERS
Chartered Accountants


JS CROALL
Partner

Melbourne
27 February 2009

Appendix 4D

Half Year Report

Period ending on or after 31 December 2008

1 Details of the reporting period and the previous corresponding period.

Report period	6 month ending	31 December 2008
Previous Corresponding Period	6 month ending	31 December 2007

2 Results for announcement to the market

2.1 The amount and percentage change up or down from the previous corresponding period of revenue from ordinary activities.

Total revenue in reporting period (from continuing operations only)	2008	\$2,529,674
Previous corresponding period (from continuing operations only)	2007	\$2,879,244
Amount of change up or down from the previous corresponding period of revenue from ordinary activities		(\$349,570)
Percentage change up or down from the previous corresponding period of revenue from ordinary activities		(12.14)%

2.2 The amount and percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.

Net profit after/(loss) tax (from continuing operations only)	2008	\$(1,057,329)
Previous corresponding period (from continuing operations only)	2007	\$622,156
Amount of change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.		\$(1,679,485)
Percentage change up or down from the previous corresponding period of profit (loss) from ordinary activities after tax attributable to members.		(269.95)%

2.3 The amount and percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.

Net profit after/(loss) tax attributable to members (from continuing operations only)	2008	\$(1,057,029)
Previous corresponding period (continuing operations only)	2007	\$622,156
Amount of change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.		\$(1,679,485)
Percentage change up or down from the previous corresponding period of net profit (loss) for the period attributable to members.		(269.95)%

Appendix 4D

Half Year Report

Period ending on or after 31 December 2008

- 2.4** *The amount per security and franked amount per security of final and interim dividends or a statement that it is not proposed to pay dividends.*

No dividends proposed relating to the reporting period.

- 2.5** *The record date for determining entitlements to the dividends (if any).*

Not applicable.

- 2.6** *A brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood.*

Please refer to the attached Half-year Report.

- 3** *Net tangible assets per security with the comparative figure for the previous corresponding period.*

Reporting period
Previous Corresponding Period

Cents	(0.1)
Cents	(0.2)

- 4** *Details of entities over which control has been gained or lost during the period*

- 4.1** *Name of the entity.*

Not applicable.

- 4.2** *The date of the gain or loss of control.*

Not applicable.

- 4.3** *Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period.*

Not applicable.

- 5** *Details of individual and total dividends or distributions and dividend or distribution payments. The details must include the date on which each dividend or distribution is payable, and (if known) the amount per security of foreign sourced dividend or distribution.*

Not applicable.

Appendix 4D

Half Year Report

Period ending on or after 31 December 2008

- 6 *Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.*

Not applicable.

- 7 *Details of associates and joint venture entities including;*

- 7.1 *The name of the associate or joint venture entity,*

Not applicable.

- 7.2 *Details of the reporting entity's percentage holding in each of these entities.*

Not applicable.

- 7.3 *Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period.*

Reporting period

Previous Corresponding Period

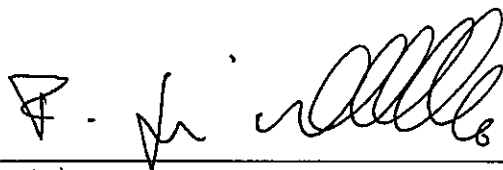
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- 8 *For foreign entities, which set of accounting standards is used in compiling the report (e.g. International Accounting Standards).*

Not applicable.

- 9 *For all entities, if the accounts are subject to audit dispute or qualification, a description of the dispute or qualification.*

No dispute or qualification known at the date of lodgement of this report.



(Director)

FRANCESCO LICCIARDELLO

Print Name

27 February 2009

Date