

financial statements

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income statement

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Revenue	2	156,753	-	525,268	-
Other income	2	53	-	189,508	-
Depreciation and amortisation expense	3	(701,408)	-	(11,934)	-
Employee benefits expense	3	(508,917)	(33,345)	(492,894)	(33,345)
Foreign exchange losses		(346,684)	-	(346,684)	-
Consultants and professional expense		(634,009)	-	(133,496)	-
Research and development expense		(366,235)	(180,000)	(850,188)	(180,000)
Share based payments expense	24	(7,455,162)	-	(7,455,162)	-
Other expense		(716,851)	(33,344)	(340,564)	(33,344)
Profit/ (loss) before income tax	3	(10,572,460)	(246,689)	(8,916,146)	(246,689)
Income tax expense/(benefit)	4	(344,942)	(67,500)	(344,942)	(67,500)
Profit/ (loss) for the year		(10,227,518)	(179,189)	(8,571,204)	(179,189)
Loss attributable to minority equity interest		839,844	-	-	-
Profit/ (loss) attributable to members of the parent entity		(9,387,674)	(179,189)	(8,571,204)	(179,189)

The accompanying notes form part of these financial statements

balance sheet

	Note	Consolidated Group		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	8	3,982,145	1	3,838,898	1
Trade and other receivables	9	74,004	19,999	76,482	19,999
Financial assets	11	1,029,652	66,689	1,029,652	66,689
Current tax assets	17	414,535	69,104	414,535	69,104
Other current assets	15	12,226	-	12,226	-
TOTAL CURRENT ASSETS		5,512,562	155,793	5,371,793	155,793
NON-CURRENT ASSETS					
Financial assets	11	1,574,320	-	3,469,907	-
Property, plant and equipment	13	4,742,063	-	149,576	-
Intangible assets	14	3,463,614	-	-	-
Other non-current assets	15	3,875,682	-	6,029	-
TOTAL NON-CURRENT ASSETS		13,655,679	-	3,625,512	-
TOTAL ASSETS		19,168,241	155,793	8,997,305	155,793
CURRENT LIABILITIES					
Trade and other payables	16	442,225	315,982	279,750	315,982
Short-term provisions	18	11,586	-	11,586	-
TOTAL CURRENT LIABILITIES		453,811	315,982	291,336	315,982
TOTAL NON-CURRENT LIABILITIES		-	-	-	-
TOTAL LIABILITIES		453,811	315,982	291,336	315,982
NET ASSETS		18,714,430	(160,189)	8,705,969	(160,189)
EQUITY					
Issued capital	19	9,994,200	12,000	9,994,200	12,000
Reserves	20	6,771,349	-	7,455,162	-
Retained earnings		(9,559,863)	(172,189)	(8,743,393)	(172,189)
Parent interest		7,205,686	(160,189)	8,705,969	(160,189)
Minority equity interest		11,508,744	-	-	-
TOTAL EQUITY		18,714,430	(160,189)	8,705,969	(160,189)

The accompanying notes form part of these financial statements

statement of changes in equity

Consolidated group	Issued capital	Retained Earnings	Foreign Currency Translation Reserve	Option Reserve	Minority Equity Interests	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2005	10,000	7,000	-	-	-	17,000
Profit/ (loss) attributable to members of parent entity	-	(179,189)	-	-	-	(179,189)
Shares issued during the year	2,000	-	-	-	-	2,000
Balance at 30 June 2006	12,000	(172,189)	-	-	-	(160,189)
Balance at 1 July 2006	12,000	(172,189)	-	-	-	(160,189)
Profit/ (loss) attributable to members of parent entity	-	(9,387,674)	-	-	-	(9,387,674)
Profit/ (loss) attributable to minority shareholders	-	-	-	-	(839,844)	(839,844)
Adjustments from translation of foreign controlled entities	-	-	(683,813)	-	(580,388)	(1,264,201)
Shares issued during the year	9,982,200	-	-	-	12,928,976	22,911,176
Options issued during the year	-	-	-	7,455,162	-	7,455,162
Balance at 30 June 2007	9,994,200	(9,559,863)	(683,813)	7,455,162	11,508,744	18,714,430
Parent entity	Issued capital	Retained Earnings	Foreign Currency Translation Reserve	Option Reserve	Minority Equity Interests	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2005	10,000	7,000	-	-	-	17,000
Profit attributable to members of parent entity	-	(179,189)	-	-	-	(179,189)
Shares issued during the year	2,000	-	-	-	-	2,000
Balance at 30 June 2006	12,000	(172,189)	-	-	-	(160,189)
Balance at 1 July 2006	12,000	(172,189)	-	-	-	(160,189)
Profit/ (Loss) attributable to members of parent entity	-	(8,571,204)	-	-	-	(8,571,204)
Shares issued during the year	9,982,200	-	-	-	-	9,982,200
Options issued during the year	-	-	-	7,455,162	-	7,455,162
Balance at 30 June 2007	9,994,200	(8,743,393)	-	7,455,162	-	8,705,969

The accompanying notes form part of these financial statements

cash flow statement

	Note	Consolidated Group		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		(1,940,034)	(246,689)	(1,230,303)	(246,689)
Interest received		155,326	-	155,030	-
Income tax paid		(1,291)	(3,802)	(1,291)	(3,802)
Net cash provided by (used in) operating activities	23a	(1,785,999)	(250,491)	(1,076,564)	(250,491)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of intangibles		-	-	255,787	-
Payment for intangibles		-	-	(66,279)	-
Proceeds from sale of investments		53,351	-	53,351	-
Purchase of property, plant and equipment		(566,658)	-	(161,510)	-
Payments for investments		(2,590,634)	(66,689)	(2,590,634)	(66,689)
Purchase of other non-current assets		(398,658)	-	-	-
Payment for subsidiary, net of cash acquired		53	-	(10,070)	-
Contributions to subsidiary		-	-	(1,885,517)	-
Net cash provided by (used in) investing activities		(3,502,546)	(66,689)	(4,404,872)	(66,689)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issue of shares		9,669,877	2,001	9,669,877	2,001
Proceeds from borrowings		-	315,180	-	315,180
Repayment of borrowings		(135,180)	-	(135,180)	-
Net cash provided by (used in) financing activities		9,534,697	317,181	9,534,697	317,181
Net increase in cash held					
Cash at beginning of financial year	8	1	-	1	-
Effect of exchange rates on cash holdings in foreign currencies		(264,008)	-	(214,364)	-
Cash at end of financial year	8	3,982,145	1	3,838,898	1

The accompanying notes form part of these financial statements