

# White Energy Company Limited

ABN 62 071 527 083

## Interim Financial Report

As at 31 December 2008

<b>Contents</b>	<b>Page</b>
Directors' report	1
Auditor's independence declaration	3
Interim financial report	4
Directors' declaration	12
Independent auditor's review report to the members	13

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 2008 and any public announcements made by White Energy Company Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## **Directors' report**

The directors present their report on the consolidated entity, consisting of White Energy Company Limited (“**the Company**” or “**White Energy**”) and the entities it controlled at the end of, or during, the half-year ended 31 December 2008.

### **Directors**

The following persons were directors of the Company during the whole of the half-year and up to the date of this report:

J.V. McGuigan

J.C. Atkinson

I.T. Khan

T.W. Duncan

### **Review of Operations**

The Company has almost completed the construction of its first major commercial clean coal facility at the Tabang coal mine in Indonesia. This will be one of the largest clean coal facilities in the world. It is envisaged that construction will be completed in the next few weeks with commissioning due to commence in April 2009. The plant should begin full scale production by September 2009.

Also during the half-year ended 31 December 2008, the Company completed, commissioned and operated a smaller scale commercial facility in Cessnock, New South Wales. The combination of building the plant in Indonesia and the Cessnock facility has consumed significant resources during the half-year period.

The consolidated entity's loss from ordinary activities was \$14,050,929 (2007: \$6,689,943). This includes the following major non-cash items of expense: amortisation of the coal technology licence of \$1,572,480, provision for employee share-based payments of \$2,024,155, interest accrued on convertible notes of \$333,169, depreciation of \$225,637, write-off of exploration costs of \$298,376 and unrealised FX losses of \$349,004. After these non-cash expenses are added back the resultant cash loss is \$9,248,108. This net cash loss includes costs related to capital raising and business development activities, costs associated with the management of specific projects and research activities on related cleaner coal technologies. Significant capital of approximately \$52 million was invested during the half-year on the engineering, design and construction of the Indonesian plant and the Cessnock plant.

Comments on the operations and the results of those operations are set out below:

- a) Revenue includes \$1,054,192 interest earned on the consolidated entity's cash deposits.
- b) Construction of the 1,000,000 tonne per annum Binderless Coal Briquetting Plant at Bayan's Tabang Mine in East Kalimantan Indonesia is over 90% complete with completion expected by the end of March 2009. Commissioning is due to commence in April 2009 with production ramping up to 100% capacity by September 2009.
- c) During November 2008 the Company signed a joint venture agreement with an entity managed by Black River Asset Management LLC, an independently managed subsidiary of Cargill Incorporated, under which White Energy and Black River will jointly develop and commercialise White Energy's coal upgrading technology throughout Africa.
- d) In December 2008 the Company announced the signing of a binding letter of intent with Asia Special Situation Acquisition Corp. (ASSAC) whereby White Energy agreed to merge its South East Asian business into ASSAC. Post merger, the transaction anticipated that White Energy would own 56% and ASSAC's existing shareholders 44% of the merged entity. Subsequent to year end, the transaction has been expanded to a much broader transaction at the White Energy Technology Limited level. For further details please refer to Note 6.
- e) During October 2008 BHP Billiton Group converted US\$7.5 million of its outstanding loans into ordinary shares in White Energy. The shares issued to BHP Billiton are subject to voluntary escrow for 12 months from the date of issue.
- f) The Company continued work on its exploration projects during the half year. On advice of our consulting geologists and after taking into account the company's overall focus on developing its coal technology, the company relinquished its interests in the Mt Mundy and Glen Ayle projects during October 2008.

**White Energy Company Limited  
Directors' report  
31 December 2008**

**Directors' report (continued)**

**Auditors' independence declaration**

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

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



---

John Atkinson

Director

Sydney  
13 March 2009

## Auditor's Independence Declaration

As lead auditor for the review of White Energy Company Limited for the half year ended 31 December 2008, 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.

This declaration is in respect of White Energy Company Limited and the entities it controlled during the period.



BK Hunter

Partner  
PricewaterhouseCoopers

Sydney  
13 March 2009

**White Energy Company Limited**  
**Consolidated Income statement**  
**For the half-year ended 31 December 2008**

	<b>Half-year</b>	
	<b>2008</b>	2007
	<b>\$</b>	<b>\$</b>
<b>Revenue from continuing operations</b>	<b>1,587,617</b>	1,238,573
Accounting and audit fees	<b>(74,764)</b>	(23,946)
Employee benefits expense	<b>(4,842,269)</b>	(2,623,461)
Depreciation and amortisation	<b>(1,798,116)</b>	(1,670,747)
Finance costs	<b>(2,110,669)</b>	(740,748)
External advisory fees	<b>(3,490,997)</b>	(1,636,998)
Write-off of deferred exploration costs	<b>(298,376)</b>	-
FX Loss	<b>(1,121,304)</b>	-
Occupancy expenses	<b>(520,007)</b>	(441,844)
Travel	<b>(518,266)</b>	(628,026)
Other expenses	<b>(863,778)</b>	(162,746)
	<b>(14,050,929)</b>	(6,689,943)
<b>(Loss) before income tax</b>		
Income tax expense	-	-
<b>Net (loss) for the half year</b>	<b>(14,050,929)</b>	(6,689,943)
<b>Loss is attributable to:</b>		
Equity holders of White Energy Company Limited	<b>(13,990,024)</b>	(6,335,552)
Minority interest	<b>(60,905)</b>	(354,391)
	<b>(14,050,929)</b>	(6,689,943)
	<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per share	<b>(11.0)</b>	(5.1)

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

**White Energy Company Limited**  
**Consolidated Balance sheet**  
**As at 31 December 2008**

	Notes	31 December 2008 \$	30 June 2008 \$
<b>Current assets</b>			
Cash and cash equivalents		10,749,589	34,955,888
Trade and other receivables		11,620,848	5,099,841
<b>Total current assets</b>		<b>22,370,437</b>	<b>40,055,729</b>
<b>Non-current assets</b>			
Property, plant and equipment		113,682,067	52,013,765
Exploration assets		2,353,312	2,581,034
Intangible assets		53,162,128	53,518,329
<b>Total non-current assets</b>		<b>169,197,507</b>	<b>108,113,128</b>
<b>Total assets</b>		<b>191,567,944</b>	<b>148,168,857</b>
<b>Current liabilities</b>			
Trade and other payables		16,812,449	29,785,723
Borrowings	3	14,339,223	-
<b>Total current liabilities</b>		<b>31,151,672</b>	<b>29,785,723</b>
<b>Non-current liabilities</b>			
Other payables		35,917,619	-
Borrowings	4	44,447,570	47,387,570
<b>Total non-current liabilities</b>		<b>80,365,189</b>	<b>47,387,570</b>
<b>Total liabilities</b>		<b>111,516,861</b>	<b>77,173,292</b>
<b>Net assets</b>		<b>80,051,083</b>	<b>70,995,564</b>
<b>Equity</b>			
Contributed equity	5	103,705,180	97,130,925
Reserves		12,099,126	2,866,309
Accumulated losses		(41,175,848)	(26,962,701)
Parent entity interest		74,628,458	73,034,533
Minority interest		5,422,625	(2,038,969)
<b>Total equity</b>		<b>80,051,083</b>	<b>70,995,564</b>

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

**White Energy Company Limited**  
**Statement of changes in equity**  
**For the half-year ended 31 December 2008**

<b>Consolidated</b>	<b>Attributable to members of White Energy Company Limited</b>				<b>Minority interest</b>	<b>Total equity</b>
	<b>Contributed equity</b>	<b>Reserves</b>	<b>Accumulated losses</b>	<b>Total</b>		
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2007</b>	<b>84,611,297</b>	<b>4,440,642</b>	<b>(12,150,611)</b>	<b>76,901,328</b>	<b>567,739</b>	<b>77,469,067</b>
Movement	-	-	-	-	-	-
Loss for the half-year	-	-	(6,335,552)	(6,335,552)	(354,391)	(6,689,943)
<b>Total recognised income and expense for the half year</b>	<b>-</b>	<b>-</b>	<b>(6,335,552)</b>	<b>(6,335,552)</b>	<b>(354,391)</b>	<b>(6,689,943)</b>
Contributions of equity, net of transaction costs	1,523,443	-	-	1,523,443	-	1,523,443
Share based payment	-	460,942	-	460,942	-	460,942
Exchange differences on translation of foreign operation	-	(439,422)	-	(439,422)	(422,190)	(861,612)
<b>Balance at 31 December 2007</b>	<b>86,134,740</b>	<b>4,462,162</b>	<b>(18,486,163)</b>	<b>72,110,739</b>	<b>(208,842)</b>	<b>71,901,897</b>

<b>Consolidated</b>	<b>Attributable to members of White Energy Company Limited</b>				<b>Minority interest</b>	<b>Total equity</b>
	<b>Contributed equity</b>	<b>Reserves</b>	<b>Accumulated losses</b>	<b>Total</b>		
	\$	\$	\$	\$	\$	\$
<b>Balance at 1 July 2008</b>	<b>97,130,925</b>	<b>2,866,309</b>	<b>(26,962,701)</b>	<b>73,034,533</b>	<b>(2,038,969)</b>	<b>70,995,564</b>
Movement	-	-	-	-	-	-
Loss for the half-year	-	-	(13,990,024)	(13,990,024)	(60,905)	(14,050,929)
<b>Total recognised income and expense for the half year</b>	<b>-</b>	<b>-</b>	<b>(13,990,024)</b>	<b>(13,990,024)</b>	<b>(60,905)</b>	<b>(14,050,929)</b>
Contributions of equity, net of transaction costs	6,574,255	-	-	6,574,255	-	6,574,255
Interest payable on convertible notes	-	-	(223,123)	(223,123)	-	(223,123)
Share based payment	-	1,276,163	-	1,276,163	-	1,276,163
Exchange differences on translation of foreign operations	-	7,956,654	-	7,956,654	7,522,499	15,479,153
<b>Balance at 31 December 2008</b>	<b>103,705,180</b>	<b>12,099,126</b>	<b>(41,175,848)</b>	<b>74,628,458</b>	<b>5,422,625</b>	<b>80,051,083</b>

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

**White Energy Company Limited**  
**Statement of cash flows**  
**For the half-year ended 31 December 2008**

	<b>Half-year</b>	
	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flow from operating activities</b>		
Receipts from customers (inclusive of goods & services tax)	<b>87,190</b>	2,333,947
Payments to suppliers and employees (inclusive of goods & services tax)	<b>(8,441,469)</b>	(5,678,851)
Interest received	<b>1,054,192</b>	750,756
Interest paid	<b>(1,777,500)</b>	(123)
<b>Net cash outflows from operating activities</b>	<b>(9,077,587)</b>	(2,594,271)
<b>Cash flows from investing activities</b>		
Payments for exploration assets	<b>(70,653)</b>	(90,921)
Payments for property, plant and equipment	<b>(51,069,080)</b>	(9,105,462)
Payments for intangibles – detailed design	<b>(1,216,280)</b>	(244,063)
<b>Net cash outflows from investing activities</b>	<b>(52,356,013)</b>	(9,440,446)
<b>Cash flows from financing activities</b>		
Loans from related entities	<b>19,253,823</b>	6,953,158
Proceeds from shares issued	<b>6,574,255</b>	1,159,478
Proceeds from convertible notes issue	<b>11,399,223</b>	45,000,000
Costs of convertible notes issue	<b>-</b>	(925,000)
<b>Net cash inflows from financing activities</b>	<b>37,227,301</b>	52,187,636
<b>Net increase in cash and cash equivalents</b>	<b>(24,206,299)</b>	40,152,919
Cash and cash equivalents at the beginning of the half-year	<b>34,955,888</b>	15,072,474
<b>Cash and cash equivalents at the end of the half-year</b>	<b>10,749,589</b>	55,225,393

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

**White Energy Company Limited**  
**Notes to the financial statements**  
**31 December 2008**

**1. Basis of preparation of half-year report**

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*.

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 2008 and any public announcements made by White Energy Company Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

Going Concern

As at 31 December 2008, the Company's current liabilities exceeded its current assets by \$8,781,235 and the company also recorded a net cash outflow from operating activities of \$9,077,587.

As highlighted in our 2008 Annual Report, critical to the Company's ongoing ability to continue with its current business development initiatives in various overseas markets is the availability of capital. In this regard, the Company is in advanced stages of negotiations with respect to various capital raising initiatives which will underpin our capital requirements in the medium term.

The planned capital raising activities include the following:

- (a) Successful closing of the transaction with Asia Special Situation Acquisition Corp. (ASSAC). This transaction initially envisaged the merger of BCBC Singapore Pte Ltd and ASSAC, and has since been expanded to a much broader transaction at the White Energy Technology Limited level (the Company's wholly owned subsidiary which is the owner of the technology license). ASSAC has in excess of US\$100 million to be invested in White Energy Technology Limited as part of this transaction, which will provide sufficient capital to support the Company's cash requirements for the medium term. As outlined in Note 6 of this report, on 12 March 2009 the Company executed a definitive Share Exchange Agreement in respect of this transaction and is expecting the transaction to be completed within the next 60 to 90 days ;
- (b) an equity placement in the Company to strategic investors, which is likely to raise in excess of AU\$20 million in share capital. We are in advanced stages of negotiations with a number of interested parties in this regard, and expect to be in a position to conclude these negotiations in the near future ;
- (c) the issue of Convertible Notes in the Company, based on a share conversion price at a premium to the market price at the time of conversion. Again, the Company is in advanced stages of negotiations in respect of this initiative.

On the basis that one or more of the initiatives outlined above are successfully concluded, the directors are confident that the Company will continue to operate in accordance with its current strategies and plans and continue as a going concern for the foreseeable future.

## 2. Segment Information

### (a) Primary reporting format – business segments

<b>Half year 2008</b>	<b>Coal Technology \$</b>	<b>Mining \$</b>	<b>Unallocated \$</b>	<b>Total \$</b>
<b>Total segment revenue</b>	-	9	1,587,608	1,587,617
<b>Total segment expenses</b>	<u>(4,090,483)</u>	<u>(307,902)</u>	<u>(11,240,161)</u>	<u>(15,638,546)</u>
<b>Loss before tax</b>	<u>(4,090,483)</u>	<u>(307,892)</u>	<u>(9,652,554)</u>	<u>(14,050,929)</u>

<b>Half year 2007</b>	<b>Coal Technology \$</b>	<b>Mining \$</b>	<b>Unallocated \$</b>	<b>Total \$</b>
Total segment revenue	570	10	1,237,993	1,238,573
Total segment expenses	<u>(3,135,800)</u>	<u>(10,008)</u>	<u>(4,782,708)</u>	<u>(7,928,516)</u>
Loss before tax	<u>(3,135,230)</u>	<u>(9,998)</u>	<u>(3,544,715)</u>	<u>(6,689,943)</u>

## 3. Current liabilities – Borrowings

	<b>31 December 2008 \$</b>	<b>30 June 2008 \$</b>
BHP Facility	<b>12,776,184</b>	-
Interest accrued on convertible notes	<b>1,563,039</b>	-
Closing balance	<u><b>14,339,223</b></u>	-

On 3 December 2007 the Company entered into a transaction with the BHP Billiton Group which provides for a US\$35,000,000 seven year unsecured convertible funding facility, as approved by shareholders at the Annual General Meeting on 30 November 2007.

US\$10,000,000 of funds available under the facility were drawn down by the Company during February 2008. Of this amount US\$7,500,000 was converted into ordinary shares on 30 September 2008 at \$2.35 per share. On 9 December 2008 a further US\$6,600,000 of funds available under the facility were drawn by the Company. Interest at 9% per annum has been calculated on the US\$9,100,000 of funds drawn. This interest is not payable for the first four years and is shown as a current liability in the balance sheet.

During January 2009, the Company received notification from BHP Billiton of the termination of the funding facility. The Company is currently in discussions with BHP Billiton regarding the repayment of the outstanding balance of the loan which, including accrued interest, totalled AU\$14,339,223 as at 31 December 2008.

**White Energy Company Limited**  
**Notes to the financial statements**  
**31 December 2008**

**4. Non-current liabilities – Borrowings**

	<b>31 December 2008</b>	30 June 2008
	\$	\$
Convertible notes	<b>45,000,000</b>	47,733,579
Less: cost of convertible notes issue	<b>(925,000)</b>	(925,000)
Interest accrued on convertible notes	-	360,588
Amortisation		
	<b>372,570</b>	218,403
Closing balance	<b><u>44,447,570</u></b>	<u>47,387,570</u>

During October 2007 the company raised \$45,000,000 of funds through a convertible notes issue as approved by shareholders at the Annual General Meeting on 30 November 2007. The Notes are convertible into ordinary shares at \$3.44 per share. The Convertible Notes are unsecured with an annual yield of 7.90% maturing in October 2012. Noteholders can elect to redeem some or all of their notes at the end of the third year.

Costs relating to the convertible notes issue are being amortised over a 3 year period. Interest expense is calculated by applying the effective interest rate of 7.9% to the liability component.

**5. Equity securities issued**

	<b>2008</b>	2007	<b>2008</b>	2007
	Shares	Shares	\$	\$
Opening balance at 30 June:	<b>128,200,392</b>	95,961,051	<b>88,921,190</b>	116,472,971
Issues of ordinary shares during the half-year:				
Issue of shares, net of transaction costs	<b>25,656,605</b>	24,151,333	<b>14,783,990</b>	20,898,477
Reduction of capital	-	-	-	(54,039,925)
Closing balance 31 December	<b><u>153,856,997</u></b>	120,112,384	<b><u>103,705,180</u></b>	<u>83,331,523</u>

**6. Events occurring after the balance sheet date**

In January 2009 the company announced that its wholly owned US subsidiary, White Energy Coal North America Inc. (WECNA), had reached agreement with Buckskin Mining Company in regards to WECNA's development of a coal upgrading facility in the Powder River Basin near Gillette, Wyoming, USA.

In February 2009 the Company received a US\$8 million upfront sub-licence fee from River Energy Limited (Mauritius), for exclusive sub-licence of the BCB technology in the African market.

**6. Events occurring after the balance sheet date (continued)**

On 12 March 2009 White Energy and ASSAC mutually agreed to significantly expand the scope of the proposed transaction as outlined in Review of Operations (d). In this regard, the parties have agreed that ASSAC will acquire all of the issued share capital of White Energy Technology Limited (“WETL”), a wholly owned subsidiary of the Company which in turn owns all of the shares of Binderless Coal Briquetting Company Pty Ltd, the direct owner of the exclusive rights to exploit the BCB clean coal technology worldwide. This will result in White Energy having direct access and control over ASSAC’s capital base enabling it to fund its global roll out of the BCB technology in Asia, Africa and North America. In this regard, on March 12 2009, the Company, WETL and ASSAC entered into a definitive Share Exchange Agreement. Under the terms of the Agreement, the Company has agreed to acquire from White Energy, through an exchange of shares, 100% of the share capital of WETL and the direct and indirect subsidiaries of WET. Upon completion of the transaction, it is anticipated that, in exchange for the WETL shares, ASSAC will issue to White Energy a controlling percentage of the aggregate number of ordinary shares of ASSAC to be issued and outstanding after giving effect to the share exchange, as shall be determined by the amount by which the White Energy Market Value bears to the overall transaction value. The transaction is expected to be completed within the next 60 to 90 days.


**White Energy Company Limited  
Directors' Declaration  
31 December 2008**

**Directors' Declaration**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 4 to 9 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) 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) there are reasonable grounds to believe that White Energy Company 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 the directors.

  
.....  
John Atkinson, Director

Sydney  
13 March 2009

## INDEPENDENT AUDITOR'S REVIEW REPORT

### to the members of White Energy Company Limited

#### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of White Energy Company Limited, 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, other selected explanatory notes and the directors' declaration for the White Energy Company Limited (the consolidated entity). The consolidated entity comprises both White Energy Group (the company) and the entities it controlled during that half-year.

#### *Directors' responsibility for the half-year financial report*

The directors of the company 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 establishing and maintaining internal control 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 White Energy Company 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. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. 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.

For further explanation of a review, visit our website <http://www.pwc.com/au/financialstatementaudit>.

**to the members of White Energy Company Limited  
(continued)**

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

*Matters relating to the electronic presentation of the reviewed financial report*

This review report relates to the financial report of the company for the half-year ended 31 December 2008 included on White Energy Company Limited's web site. The company's directors are responsible for the integrity of the White Energy Company Limited web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

*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 White Energy Company 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*.



PricewaterhouseCoopers



BK Hunter  
Partner

Sydney  
13 March 2009