

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2011

| 2011 | Ordinary Shares | Retained losses | Option Reserve | Financial Assets Reserve | Total |
|-----------------------------------|--------------------|---------------------|-------------------|--------------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2010 | 27,333,490 | (26,214,518) | - | - | 1,118,972 |
| Loss attributable to members | | (247,577) | | | (247,577) |
| Share capital raised | 216,461 | | | | 216,461 |
| Sub-total | 216,461 | (247,577) | - | - | (31,114) |
| Balance as at 30 June 2011 | 27,549,951 | (26,462,095) | - | - | 1,087,856 |
| | ===== | ===== | ===== | ===== | ===== |

| 2010 | Ordinary Shares | Retained Losses | Option Reserve | Financial Assets Reserve | Total |
|--------------------------------------------------------------|--------------------|---------------------|-------------------|--------------------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2009 | 26,173,803 | (25,955,656) | - | (46,206) | 171,941 |
| Loss attributable to members | - | (258,862) | - | - | (258,862) |
| Share capital raised | 1,242,429 | - | - | - | 1,242,429 |
| Cost of raising capital | (82,742) | - | - | - | (82,742) |
| Transfers to and from reserves - Financial assets reserve | - | - | - | 46,206 | 46,206 |
| Sub-total | 1,159,687 | (258,862) | - | 46,206 | 947,031 |
| Balance as at 30 June 2010 | 27,333,490 | (26,214,518) | - | - | 1,118,972 |
| | ===== | ===== | ===== | ===== | ===== |

The Statement of Changes in Equity is to be read in conjunction with the accompanying notes to and forming part of the financial report.