

**INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2006**

	NOTE	CONSOLIDATED		PARENT ENTITY	
		30 June	30 June	30 June	30 June
		2006	2005	2006	2005
		\$	\$	\$	\$
Sales revenue	2(a)	363,140	85,381	—	—
Cost of sales		(209,004)	—	—	—
<b>Gross profit</b>		<b>154,136</b>	<b>85,381</b>	<b>—</b>	<b>—</b>
Other income	2(b)	3,012,458	1,567,349	2,768,357	397,587
Recoverable amount write downs		(45,016)	(493,740)	(3,107,910)	(458,544)
Loss on sale of assets		(7,058)	—	—	—
Doubtful debts intercompany		—	—	—	(1,650,951)
Marketing		(1,087,269)	(229,497)	—	—
Research, development, licensing and patent costs		(1,479,646)	(878,949)	—	—
Redundancy costs		(169,631)	(1,063,901)	—	(480,842)
AMT operating costs		(3,048,134)	(3,794,094)	—	—
Corporate, administration and other expenses		(2,075,111)	(2,566,676)	(1,754,941)	(1,992,355)
<b>Loss before income tax expense</b>		<b>(4,745,271)</b>	<b>(7,374,127)</b>	<b>(2,094,494)</b>	<b>(4,185,105)</b>
Income tax expense	3(a)	(97,028)	(51,321)	—	—
<b>Loss from continuing operations</b>		<b>(4,842,299)</b>	<b>(7,425,448)</b>	<b>(2,094,494)</b>	<b>(4,185,105)</b>
Profit from discontinued operations	28	4,415,840	7,481,447	—	5,259,228
<b>Profit/(loss) attributable to members of the parent entity</b>		<b>(426,459)</b>	<b>55,999</b>	<b>(2,094,494)</b>	<b>1,074,123</b>
<b>Earnings/(loss) per share:</b>					
Basic (cents per share)	22	(0.555)	0.105		
Diluted (cents per share)	22	(0.555)	0.026		
<b>Loss per share from continuing operations</b>					
Basic (cents per share)	22	(6.304)	(14.024)		
Diluted (cents per share)	22	(6.304)	(14.024)		

Notes to the financial statements are included on pages 26 to 61.

*The above Income Statement should be read in conjunction with the accompanying notes.*