

18 February 2011

Company Announcements Office
ASX Limited
Level 4
20 Bridge Street
SYDNEY NSW 2000

First half interim results Fin Year 10/11

For the six months to 31 December 2010 the company recorded a loss of \$1.0 million vs. a loss of \$0.4 million for the previous corresponding period ending 31 December 2009.

The increased loss from the prior year was primarily due to the Company investing in increased human resource capability, in part, to deliver a project during the half-year. We are pleased to announce that this project was delivered to the customer on time and budget, in December 2010. This investment in capability is part of the Company's stated intention to be the region's premier supplier of energy software solutions. Our resources enable us to pursue sales in new product lines and new markets.

During the period, the Company announced it had been nominated as preferred supplier for the provision of its Energy Trading Solution to a large Australian power generator. Contract negotiations are currently being undertaken and are expected to be completed by in early 2011.

Management remain confident about the company's future prospects. The company has a strong cash position of \$1.4 million, with no debt. As foreshadowed in the Appendix 4C lodged with the ASX on the 29th of October 2010, the company has received the contract milestone payments due in January and February 2011.

Energy One Limited



Reena Minhas
Company Secretary

Preliminary Appendix 4D

Preliminary Half Yearly Report to the Australian Stock Exchange

Name of Entity	Energy One Limited
ABN	37 076 583 018
Half year ended	31 December 2010
Previous Corresponding reporting period	31 December 2009

Results for announcement to the market

	December '10 (\$'000)	December '09 (\$'000)	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	1,493	1,233	21%
(Loss) from ordinary activities after tax attributable to members	(1,009)	(385)	162%
(Loss) for the period attributable to members	(1,009)	(385)	162%

Dividends	No dividends will be payable		
Amount per security	N/A	N/A	N/A
Franked amount per security	N/A	N/A	N/A
Interim dividend	N/A	N/A	N/A
Final dividend	N/A	N/A	N/A
Record date for determining entitlements to dividends	N/A	N/A	N/A
Net tangible assets per security	15.8 cents	16.0 cents	(1%)

Brief explanation of the figures above necessary to enable the figures to be understood:

Total number of shares on issue at 31 December 2010 is 17,793,229

Net tangible assets at 31 December 2010 is \$2,806,673

Additional information in Director's Report will be provided in the half-year report.

Other Significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

N/A

Returns to shareholders including distributions and buy backs:

N/A

The results of segments that are significant to an understanding of the business as a whole:

The principal activity of the Group during the period was supplier of software and services to energy companies and utilities.

Discussion of trends in performance:

Refer to Director's Report

Subsidiaries

On 18 January 2008 the company established the legal entity, Advanced Interval Metering Pty Ltd, a company incorporated in Australia. Energy One Ltd is the sole shareholder owning 100% of the issued capital. The subsidiary is a dormant company.

Any other factors which have affected the results in the period or which are likely to affect the results in the future, including those where the effect could not be quantified:

Refer to Director's Report

Audit/review status

This report is based on accounts to which one of the following applies: (tick one)

- ☐ The accounts have been audited
- ☐ The accounts are in the process of being audited
- ☒ The accounts have been subject to review
- ☐ The accounts have not yet been audited or reviewed

Signed by the Company Secretary



..... 18 February 2011

Reena Minhas

ENERGY ONE LIMITED

ABN 37 076 583 018

HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 31 DECEMBER 2010

Contents

	Page
Directors' Report	3
Auditors' Independence Declaration	4
Financial Report	
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the financial statements	9
Directors' Declaration	12
Independent Auditor's Review Report	13

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2010.

Directors

The names of directors who held office during or since the end of the half-year:

Andrew Bonwick – Non-executive Director

Shaun Ankers – Chief Executive Officer

Vaughan Busby – Non-executive Director

Ian Ferrier - Non-executive Director

Ottmar Weiss – Chairman

Review of Operations

The net loss for the Group for the half-year after providing for income tax amounted to \$1,008,758 (31/12/09: \$384,675). The increased loss from the prior year was primarily due to the Company investing in increased human resource capability, in part, to deliver a project during the half-year. We are pleased to announce that this project was delivered on time and to the customer's budget, in December 2010.

This investment in capability is part of the Company's stated intention to be the region's premier supplier of energy software solutions. Our resources enable us to pursue sales in new product lines and new markets.

During the period, the Company announced it had been nominated as preferred supplier for the provision of its Energy Trading Solution to a large Australian power generator. Contract negotiations are currently being undertaken and are expected to be completed by in early 2011.

No dividends were paid or declared since the start of the financial year. No recommendation for the payment of dividends has been made.

On 18 January 2008 the company established the legal entity, Advanced Interval Metering Pty Ltd, a company incorporated in Australia. Energy One Ltd is the sole shareholder owning 100% of the issued capital. As at 30 June 2010 Advanced Interval Metering Pty Ltd does not have any assets nor liabilities therefore the consolidated entity's financial statements represent the parent entity's financial statements.

As required under the Corporations Act 2001 Section 300(14) the Directors give notice that no person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The lead auditors independence declaration under section 307C of the Corporations Act 2001 is set out on page 4 for the half-year ended 31 December 2010.

This report is signed in accordance with a resolution of the Board of Directors.



Shaun Ankers
Chief Executive Officer
18 February 2011



Ottmar Weiss
Chairman
18 February 2011

The Board of Directors
Energy One Limited
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Sydney NSW 2000

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A WHK Group Firm

18 February 2011

Dear Board Members

ENERGY ONE LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Energy One Limited and its controlled entity.

As lead review principal for the review of the financial statements of Energy One Limited and its controlled entity for the half year ended 31 December 2010 I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

Leah Russell

Leah Russell
Principal

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

	Notes	Consolidated Group	
		31.12.2010	31.12.2009
		\$	\$
Revenue from continuing operations		1,126,079	999,264
Other Income	2	367,201	233,957
Direct project related costs		(163,717)	(215,436)
Employee benefits expense		(1,770,917)	(973,035)
Depreciation and amortisation expense		(240,492)	(205,162)
Rental expenses		(60,263)	(49,973)
Insurance		(22,641)	(17,252)
Accounting fees		(15,555)	(29,980)
Legal fees		(4,445)	(16,415)
Debt collection fees		-	2,110
Reversal of doubtful debt		-	
Finance costs		-	(2,044)
Impairment loss and write offs on intangible assets	2	-	(82,164)
Other expenses		(224,008)	(28,545)
Loss before income tax		(1,008,758)	(384,675)
Income tax expense		-	-
Loss after income tax from continuing operations attributable to owners of the parent entity		(1,008,758)	(384,675)
Other comprehensive income		-	-
Total comprehensive loss		(1,008,758)	(384,675)
Total comprehensive loss attributable to members of the Parent entity		(1,008,758)	(384,675)
Overall Operations - continuing operations			
Basic earnings per share (cents per share)		(5.67)	(1.73)
Diluted earnings per share (cents per share)		(5.67)	(1.73)

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

		Consolidated Group	
	Notes	31.12.2010	30.06.2010
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	1,364,539	2,384,182
Trade and other receivables	9	2,058,903	1,677,799
Other current assets		274,958	271,447
TOTAL CURRENT ASSETS		3,698,400	4,333,428
NON-CURRENT ASSETS			
Plant and equipment		93,881	85,751
Intangible assets - Software		1,084,726	1,227,092
Intangible assets – Other		459,206	459,206
Other		100	42,481
TOTAL NON-CURRENT ASSETS		1,637,913	1,814,530
TOTAL ASSETS		5,336,313	6,147,958
CURRENT LIABILITIES			
Trade and other payables		445,427	353,852
Deferred revenue		397,748	320,946
Short-term provisions		120,943	97,773
TOTAL CURRENT LIABILITIES		964,118	772,571
NON-CURRENT LIABILITIES			
Long-term provisions		21,590	16,024
TOTAL NON-CURRENT LIABILITIES		21,590	16,024
TOTAL LIABILITIES		985,708	788,595
NET ASSETS		4,350,605	5,359,363
EQUITY			
Issued capital		8,246,064	8,246,064
Reserves		81,242	81,242
Accumulated losses		(3,976,701)	(2,967,943)
TOTAL EQUITY		4,350,605	5,359,363

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

	Consolidated Group			
	Share Capital Ordinary	Retained Earnings	Share based payments reserve	Total
	\$	\$	\$	\$
Balance at 30 June 2009	8,785,929	(3,138,998)	77,477	5,724,408
Share Buy Back	(538,364)	-	-	(538,364)
Comprehensive loss for the half year	-	(384,675)	-	(384,675)
Balance at 31 December 2009	8,247,565	(3,523,673)	77,477	4,801,369
Balance at 30 June 2010	8,246,064	(2,967,943)	81,242	5,359,363
Comprehensive loss for the half year	-	(1,008,758)	-	(1,008,758)
Balance at 31 December 2010	8,246,064	(3,976,701)	81,242	4,350,605

The accompanying notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2010**

	Consolidated Group	
	31.12.2010	31.12.2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,330,756	923,373
Payments to suppliers and employees	(2,257,850)	(1,534,826)
Interest received	68,706	70,103
Finance costs	-	(2,283)
Net cash used in operating activities	(858,388)	(543,633)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(25,831)	(3,344)
Purchase of intangible assets	(55,000)	(55,000)
Payment of development costs of software	(80,424)	(419,869)
Net cash used in investing activities	(161,255)	(478,213)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments for share buy back	-	(538,364)
Net cash used in financing activities	-	(538,364)
Net decrease in cash held	(1,019,643)	(1,560,210)
Cash at beginning of financial period	2,384,182	3,430,712
Cash at the end of the financial period	1,364,539	1,870,501

The accompanying notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period 31 December 2010 have been prepared in accordance with the requirements of the *Corporations Act 2001*, and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Energy One Limited and its subsidiary (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2010, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

These financial statements have been prepared on an accrual basis.

(a) Going Concern

Notwithstanding the losses, the Company has \$1,364,539 cash and cash equivalents as at 31 December 2010 and no significant liabilities. In 2010 the Company won its second multi-year contract for the provision of the ETRM Solution which is now substantially complete. The Group now has a number of customers using this software.

The sales pipeline for the 2011 financial year is promising with EOL being nominated as a preferred supplier for the provision of its Energy Trading Solution to a large Australian power generator in November 2010.

As a result of these activities, the available cash reserves, and subsequent milestone contract payments received in January and February 2011 the Directors believe the Group to be a going concern.

NOTE 2: PROFIT FOR THE PERIOD

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

	31.12.2010	31.12.2009
	\$	\$
Sales Revenue		
Sale of goods and related services	1,126,079	999,264
Other Revenue		
Interest received from other persons	53,133	83,957
R&D Tax concessions offset	314,068	150,000
Total revenue from continuing operations	<u>1,493,280</u>	<u>1,233,221</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

NOTE 2: PROFIT FOR THE PERIOD (cont.)

	31.12.2010	31.12.2009
	\$	\$
Expenses		
Direct project related costs	(163,717)	(215,436)
	(163,717)	(215,436)
Impairment of capitalised software	-	82,164

NOTE 3: CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 31 December 2010.

NOTE 4: TAX

The company has unrecognised accrued tax losses of \$3,503,494 to 31 December 2010. If those tax losses could be offset against taxable income they could be valued at \$1,051,048. These accumulated tax losses and deferred tax assets from other temporary differences have not been brought to account as the probability of their utilisation has not been substantiated. In addition, to obtain the benefit of the losses the continuity of ownership or same business test needs to be satisfied. The company is currently confirming whether these tests have been passed.

NOTE 5: OPERATING SEGMENTS

The Group is managed primarily on the basis of product and service offerings and operates in one segment, being the Energy software industry, and in one geographical segment, being Australia.

During the period ended 31 December 2010, the company relied on their two major customers which each contributed to more than 10% of the Company's revenue. Management assess the performance of the operating segment based on the accounting profit and loss.

NOTE 6: EVENTS SUBSEQUENT TO THE REPORTING DATE

There have been no after balance date transactions that have significantly affected or may significantly affect the operations of the Group, the result of those operations or the state of affairs of the Group subsequent to the half year ended 31 December 2010.

NOTE 7: SHARE BASED PAYMENT

This issuance of 500,000 new options provided to the company's Chief Executive Officer was approved by shareholders at the 2010 Annual General Meeting. The options to acquire shares in Energy One will have a strike price of 37 cents. The option package also contains certain performance criteria. The assessed fair value at grant date of options granted was 0.021 cents per option. The shares were issued on 15 December 2010.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2010**

NOTE 8: CASH AND CASH EQUIVALENTS	31.12.2010	30.06.2010
	\$	\$
Cash at bank and in hand	464,207	1,532,442
Short-term bank deposits	900,332	851,740
	<u>1,364,539</u>	<u>2,384,182</u>

At the reporting date, the consolidated Group has deposits with banks that are used for restricted bank guarantees of \$238,931. These have been classified as Other Current Assets on the statement of financial position as they have a term of less than 1 year.

NOTE 9: TRADE AND OTHER RECEIVABLES

	31.12.2010	30.06.2010
	\$	\$
Trade receivables	1,133,807	90,073
Accrued income	9,000	970,125
R&D Tax concession offset	914,068	600,000
Other receivables	2,028	17,601
	<u>2,058,903</u>	<u>1,677,799</u>

NOTE 10: ISSUED CAPITAL

Ordinary Shares	No.
Balance at 31 December 2010	<u>17,793,229</u>

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on page 5 to 11 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2010 and of its performance for the half year ended on that date.
2. In the directors' opinion 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.



Shaun Ankers
Chief Executive Officer
18 February 2011



Ottmar Weiss
Chairman
18 February 2011

ENERGY ONE LIMITED ABN 37 076 583 018

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ENERGY ONE LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Energy One Limited and its subsidiary (the Group or the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2010, the consolidated statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration both for Energy One Limited (the Company) and the consolidated entity. The consolidated entity comprises the Company and the subsidiary it controlled at the half year's end or from time to time during that half year.

Directors' Responsibility for the Half-year Financial Report

The directors' of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 the 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 2010 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 the Group, 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. 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*.



ENERGY ONE LIMITED ABN 37 076 583 018

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ENERGY ONE LIMITED

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 Energy One Limited and its controlled entity 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 2010 and of 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.

Crowe Horwath Sydney

CROWE HORWATH SYDNEY

Leah Russell

Leah Russell
Principal

Dated this 18 day of February 2011