SWW Energy Limited
(formerly known as Solverdi WorldWide Limited)
and Controlled Entities

Interim Financial Report

ABN 60 096 687 839

Half - Year Ended 30 June 2010

This interim financial report should be read in conjunction with the 31 December 2009 annual financial report.

Directors' Report

Your directors submit the financial report on the company and its controlled entities (the consolidated entity) for the half-year ended 30 June 2010.

Directors

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

Mr Dennis Danzik	(Appointed 10 February 2009, resigned 24 September 2010)
Mr John Hoffman	(Appointed 10 February 2009, resigned 24 September 2010)
Mr David Sutton	(Appointed 27 August 2009, resigned 24 September 2010)
Mr Gino D'Anna	(Appointed 24 September 2010, resigned 16 June 2011)
Mr Benjamin Bussell	(Appointed 24 September 2010)
Mr Darren Olsen	(Appointed 24 September 2010)
Mr Matthew Foy	(Appointed 16 June 2011)

Directors held office from the start of the period to the date of this report unless otherwise stated.

Review of Operations

The result for the overall operations of the consolidated entity for the six month period to 30 June 2010 was a loss of $299,947 (2009: $4,610,000).

Significant Changes in the State of Affairs

On 18 March 2010, Mr Phillip Pinn of Pinn Deavin BIO was appointed as administrator by the Company's board of directors pursuant to Section 436A of the Corporations Act.

At the first meeting of the creditors it was resolved by the creditors of the Company that Mr Geoffrey Reidy of Rodgers Reidy be appointed as administrator of the Company to replace Mr Pinn.

Hemisphere Investment Partners Pty Ltd (Hemisphere) subsequently put forward a proposal to the administrator to reconstruct and recapitalise the Company with a view to ensuring that the Company could continue to operate as a going concern and seek reinstatement to trading on ASX (Proposal).

On 3 September 2010, the Proposal by Hemisphere (Proponent) was put to creditors and approved. The Proposal can be summarised as follows:

a. The Company will consolidate its existing issued capital on a one (1) for three (3) basis (being the Consolidation). This was approved by Shareholders at the Company's General Meeting to be held on 19 April 2011.

b. The Proponent has provided a non refundable deposit of $75,000 to the Company to be applied by the Deed Administrator to the Creditors Trust.

c. The Proponent will be entitled to the Corporate Fee on termination of the DOCA.

d. The Company will undertake the Offers pursuant to this Prospectus lodged with the ASIC on 5 April 2011.

e. All of the directors of the Company will be removed and replaced by nominees of the Proponent.

The Company subsequently entered into a Deed of Company Arrangement (**DOCA**) that provided for the payment of funds into the Company, and settlement of creditors' claims (consistently with the terms of the Proposal).

Conditions precedent to the DOCA include:

a. The Company obtaining Shareholder approval of, inter alia, the Consolidation, the payment of the Corporate Fee to the Proponent and the Proponent Offer;

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b. All employees of the Company being terminated prior to the termination of the DOCA;

c. ASX confirming in writing that it will lift the Company's suspension on the ASX following the Capital Raising on terms satisfactory to the Proponent and the Company without the need to re-comply with Chapters 1 and 2 of the ASX Listing Rules; and

d. The Offers pursuant to this Prospectus being closed and the minimum subscription of $2,200,000 being raised.

The DOCA will be terminated following completion of:

a. The capital raisings under this Prospectus;

b. payment to the Deed Administrator of $780,000 (to be applied to the Creditors Trust established to meet the payment of the Administrator's fees and expenses, Deed Administrator's fees and expenses and the satisfaction of the compromised creditor's claims) and transfer to the Creditors Trust of all the Company's assets (including the issued share capital of the Company's wholly owned subsidiary, ACN 051 792 495 Pty Ltd). Together the payment amount and the transferred assets will be the amount to be applied to the Creditors Trust after payment of the Administrator's fees and expenses and the Deed Administrator's fees and expenses; and

c. Payment to the Proponent of the Corporate Fee and the issue of Shares and Options to the Proponent under the Proponent Offer.

Your current Board has been appointed pursuant to a Deed of Company Arrangement, and believes that combined with a recapitalisation of the Company and a review of the Company's operational strategy, the Company will be well positioned to generate shareholder returns.

The Board believes that completion of the Recapitalisation Proposal will demonstrate a renewed strategy for the Company and will position the Company well for the future to enhance shareholder returns and evaluate further project opportunities.

The capital raising of $2,503,500 proposed by the Recapitalisation Proposal was completed on 19th May 2011 and will allow the Company to meet its initial objectives and expenditure plans. The Company will now make an application to ASX for its Shares to be reinstated on the official list of the ASX.

The purpose of the Offers is to:

a. provide funds for the expansion of the Company's existing core business, which is focused on:

   i. the production of biofuel and biodiesel from the beneficiation of waste oils using the proprietary technology of the Company, known as Thermodepolymerisation;

   ii. the funding of operating expenses associated with the toll processing agreement with White Mountain Group LLC and feedstock suppliers;

   iii. the funding of potential offtake agreements with end users of biofuel and biodiesel;

   iv. expansion funding associated with new plants both directly owned and operated by White Mountain Group LLC and other third party operators;

   v. funding for the research and development of the Frac Water Technology and the Solar Cracking Technology;

   vi. provide funds for the further acquisition and development of other investments, as identified by the Company (that may or may not be in the same sector); and

Directors' Report

vii. meet the costs and expenses of the recapitalisation of the Company (including payments due under the DOCA and to the Proponent) with a view to seeking reinstatement to trading of its securities on ASX.

Subsequent Events

A number of significant corporate events have occurred since the reporting period:

- On 18 March 2010, the Directors of the Company appointed Phillip Pinn of Pinn Deavin BIO as Voluntary Administrator of Solverdi WorldWide Limited.

- At the first meeting of the creditors it was resolved by the creditors of the Company that Mr Geoffrey Reidy of Rodgers Reidy be appointed as administrator of the Company to replace Mr Pinn.

- At a meeting on 3 September 2010, the creditors resolved that the Company enter into a Deed of Company Arrangement (DOCA), which was executed on 24 September 2010.

  On 24 September 2010:

  i. the Company and Geoffrey Reidy executed the Reconstruction Deed, under which the:

     a. Trustee became the Trustee of the Creditor's Trust;

     b. Company was required to reconstruct and recapitalise the Company by no later than 31 May 2011; and

     c. The Company was required, and covenanted, to transfer all assets and liabilities, with the exception of the Intellectual Property that relates to the Thermodepolymerisation Technology, the Frac Water Technology and the Solar Cracking Technology and pay the settlement sum of $780,000 to the Trustee by no later than 31 May 2011.

- On 24 September 2010, the Company and the Administrator entered into a Reconstruction Deed pursuant to which Hemisphere Investment Partners agreed to facilitate the recapitalisation of the Company referred to below.

On 24 September 2010, pursuant to Section 442A of the Corporations Act 2001, Benjamin John Bussell, Gino D'Anna and Darren Paul Olsen were appointed as Directors of the Company. On 24 September 2010 and immediately following execution of the DOCA, control of the Company passed to these Directors.

The principal features of the Proposal are as follows:

i. ***Consolidation of Capital:*** Consolidation of the existing issued capital of the Company on a 1 for 3 basis from 103,799,882 shares on issue to 34,599,961 post consolidation shares on issue.

ii. ***Reduction of Capital:*** Reduction of the Company's share capital by a portion of accumulated losses.

iii. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 60,000,000 New Shares to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company at an issue price of $0.005 per share in consideration for the payment of $300,000.

iv. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 35,000,000 New Shares to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company at an issue price of $0.0001 per share in consideration for the payment of $3,500.

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v. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 20,000,000 New Shares for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company. These shares have a deemed issue price of 1 cent per share.

vi. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 15,000,000 New Shares for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company in consideration for the payment of a $75,000 Deposit pursuant to the Deposit Convertible Note Agreement. These shares have a deemed issue price of 0.5 cents per share.

vii. ***Prospectus Issue:*** The issue of 220,000,000 New Shares in the Company at a price of not less than 1 cent per share under a Prospectus to raise not less than $2.2 million. The minimum fund raising is $2.2 million via the issue of 220,000,000 shares. From the capital raising, a sum of $780,000 will be paid to the Trustee of the Creditors Trust to settle the Creditors claims in full;

viii. ***Issue of New Options to Hemisphere Investment Partners or its nominees:*** The issue of up to 80,000,000 New Options for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company;

ix. ***Board Changes:*** The Board of Directors of the Company will change as soon as practicable after the date of the Prospectus being fully subscribed at which time the proposed Directors will be appointed and such of the Existing Directors as Resource Corporate Services requests will resign;

x. **Company Name:** The Company requests shareholder approval to change its name to SWW Energy Limited. On 2 May 2011, the Company changed its name to SWW Energy Limited.

Future Developments, Prospects and Business Strategies

The new board of SWW Energy Limited (**New Board**) intends to further evaluate and develop the renewable fuel business via the use of the TDP™ Thermodepolymerisation Technology.

The continuing business operations of the Company are based on the technology and licence agreement executed with White Mountain. This includes the Shallow Water Reactor Process, the Frac Water Technology, the TDP™ Thermodepolymerisation Technology and the Solar Cracking Technology. The TDP™ Thermodepolymerisation Technology will underpin the continued operations of the Company as SWW Energy Limited embarks upon a restructured business plan designed to mitigate the need for extensive capital investments whilst maintaining the same business operations.

Thermodepolymerisation (**TDP**) is a depolymerisation process using hydrous pyrolysis for the reduction of complex organic materials (usually waste products of various sorts, often biomass and plastic) into light crude oil. It mimics the natural geological processes thought to be involved in the production of fossil fuels. Under pressure and heat, long chain polymers of hydrogen, oxygen, and carbon decompose into short-chain petroleum hydrocarbons with a maximum length of around 18 carbons.

On 1 December 2010, White Mountain and the Company signed an agreement allowing SWW Energy Limited the right to access the excess capacity at a renewable fuel plant located in North Las Vegas, Nevada operated by experts engaged by White Mountain for the production of biofuel using feedstock supplied by SWW Energy Limited.

The White Mountain plant in Nevada currently has total capacity of 240,000 litres per month, a portion of which can be secured by SWW Energy Limited in the production of the Biofuel and biodiesel. The toll processing arrangement allows SWW Energy Limited to pay White Mountain a toll processing fee equal to US$0.86 for every litre of Biodiesel and a license fee of US$0.054 per litre of Biodiesel produced for the use of the technology in the plant, produced at standard temperature and pressure at the White Mountain Facility from the feed stocks supplied by SWW Energy Limited, delivered to SWW Energy Limited.

Directors' Report

Access to the treatment plant will allow SWW Energy Limited to reduce the need to raise large sums of capital associated with the capital expenditure required for the construction, operation and maintenance of the plants on an ongoing basis. This is considered to be a more efficient business model than previously employed by SWW Energy Limited and allows the Company to treat waste oil products using the White Mountain plant by sharing the sale margin with White Mountain. In addition, the experts and personnel that operate the plant on behalf of White Mountain will provide their expertise to SWW Energy Limited during the beneficiation and manufacturing process.

In addition to accessing personnel and experts within White Mountain, SWW Energy Limited may also be able to utilise the existing White Mountain customer base as an opportunity to channel its own production of biofuel and biodiesel.

This business model is essentially the same as the core business of SWW Energy Limited prior to it being placed into administration, without the risk associated with constructing and operating its own biodiesel plants. In turn, the associated large sums of capital which were required under the previous business model are no longer required.
SWW Energy Limited will endeavour to create "micro-plant" operations in the fragmented waste oil and grease interceptor industry. SWW Energy Limited will attempt to create service collection "vacuums", that competing companies will find difficult to react to, and implement effective "radius" marketing to increase customer density.

SWW Energy Limited, through its proprietary technology, intends to convert the collected waste material into a value added resource for the manufacture of renewable fuels. Using proprietary, patent issued and patent pending, technology to convert waste water and waste oil sources to alternative fuel.

The future activities of the Company will largely focus on the commercial application of the existing SWW Energy Limited technology, with a view to achieving the production and sale of biofuel and biodiesel products into the transport industry as well as animal feed stock to the agricultural industry under a relationship with White Mountain.

This will be accomplished through the toll processing agreement with White Mountain.

As part of the recapitalisation, the Company will also evaluate other project opportunities for acquisition or investment. The Company proposes to review projects across a range of sectors.

The Company proposes to investigate acquisitions and investments in the following sectors:

a. metals and mining across all commodities, including iron ore, gold, copper, manganese, lead, zinc, silver, platinum, chrome, nickel and rare earth elements;

b. energy and energy related investments including oil and gas, coal bed methane, coal and uranium; and

c. renewable energy and fuels including Biofuel, biodiesel and ethanol.

The report for the six months ended 30 June 2010 was authorised for issue on 12 July 2011 by the board of directors.

Dividends

No dividend was paid or proposed during the period.

Directors' Report

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half-year ended 30 June 2010 and forms part of this report.

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

Mr Matthew Foy
Executive Director
Dated this 12th day of July 2011

Grant Thornton

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Auditor's Independence Declaration
To The Directors of SWW Energy Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of SWW Energy Limited for the half-year ended 30 June 2010, 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.

Grant Thornton NSW

GRANT THORNTON NSW
Chartered Accountants

G S Layland
Partner

Sydney, 12 July 2011

Consolidated Statement of Comprehensive Income for the half-year ended 30 June 2010

	Note	Consolidated Entity	
		30 Jun 10	**30 Jun 09**
		$	**$**
Sales revenue		-	-
Cost of sales		-	-
Gross profit/(loss)		-	-
Other revenues		-	134,000
Sales and marketing expenses		-	-
Research and development expenses		-	-
Operating site expenses		-	-
Administration expenses		(12,389)	(1,085,000)
Impairment of intercompany loan		(287,558)	-
Finance costs		-	-
Loss before income tax		(299,947)	(951,000)
Income tax benefit/(expense)		-	-
Loss from continuing operations		(299,947)	(951,000)
Loss from discontinuing operations	4	-	(3,659,000)
Loss for the year attributable to members of the parent entity		(299,947)	(4,610,000)
Other comprehensive income		-	-
Total comprehensive income attributable to members of the parent entity		**(299,947)**	**(4,610,000)**
Overall operations			
Basic loss per share (cents per share)		(0.28)	(0.05)
Diluted loss per share (cents per share)		(0.28)	(0.05)
Continuing operations			
Basic loss per share (cents per share)		(0.28)	(0.01)
Diluted loss per share (cents per share)		(0.28)	(0.01)
Discontinuing operations			
Basic loss per share (cents per share)		(0.00)	(0.04)
Diluted loss per share (cents per share)		(0.00)	(0.04)

The financial statements should be read in conjunction with accompanying notes.

Consolidated Statement of Financial Position as at 30 June 2010

	Note	Consolidated Entity 30 Jun 10 $	31 Dec 09 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		6,878	-
Trade and other receivables		4,619	4,382
TOTAL CURRENT ASSETS		11,497	4,382
TOTAL ASSETS		11,497	4,382
CURRENT LIABILITIES			
Trade and other payables		1,894,667	1,884,667
Short-term borrowings		-	1,317
TOTAL CURRENT LIABILITIES		1,894,667	1,885,984
TOTAL LIABILITIES		1,894,667	1,885,984
NET ASSETS		(1,883,170)	(1,881,602)
EQUITY			
Issued capital		72,530,431	72,232,052
Retained earnings		(74,413,601)	(74,113,654)
TOTAL EQUITY		(1,883,170)	(1,881,602)

The financial statements should be read in conjunction with accompanying notes.

Consolidated Statement of Changes in Equity for the half-year ended 30 June 2010

	Issued Ordinary Share Capital	Option Reserve	Retained Earnings	Total
	$	$	$	$
Balance at 1 January 2009	57,988,000	238,000	(49,522,000)	8,704,000
Total comprehensive income for the period	-	-	(4,610,000)	(4,610,000)
Shares issued during the period	13,682,000	-	-	13,682,000
Share but back during the period	(88,000)	-	-	(88,000)
Share based payments	-	103,000	-	103,000
Balance as 30 June 2009	71,582,000	341,000	(54,132,000)	17,791,000
Balance at 1 January 2010	72,232,052	-	(74,113,654)	(1,881,602)
Total comprehensive income for the period	-	-	(299,947)	(299,947)
Shares issued during the period	298,379	-	-	298,379
Balance as 30 June 2010	72,530,431	-	(74,413,601)	(1,883,170)

The financial statements should be read in conjunction with accompanying notes.

Consolidated Statement of Cash Flows for the half - year ended 30 June 2010

	Consolidated Entity	
	30 Jun 10	30 Jun 09
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	1,644,000
Payments to suppliers and employees	(13,447)	(1,618,000)
Other receipts	10,821	-
Finance costs	-	(43,000)
Net cash used in operating activities	(2,626)	(17,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(904,000)
Loans to related entities	(287,558)	-
Proceeds from sale property, plant and equipment	-	1,537,000
Net cash (used in)/provided by investing activities	(287,558)	633,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	298,379	500,000
Share buyback	-	(88,000)
Repayment of borrowings	-	(213,000)
Net cash provided by financing activities	298,379	199,000
Net increase in cash held	8,195	815,000
Cash at the beginning of the period	(1,317)	332,000
Cash at the end of the period	6,878	1,147,000

The financial statements should be read in conjunction with accompanying notes.

Notes to the Financial Statements for the half – year ended 30 June 2010

1. Basis of preparation

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* Australian Accounting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 31 December 2009 and any public announcements made by SWW Energy Limited Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report. 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 except for the adoption of the following new and revised Accounting Standards

Accounting Standards not Previously Applied

The consolidated entity has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements (revised AASB 101)

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the separate income statement/single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments (AASB 8)

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the group's chief operating decision maker which, for the consolidated entity, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position.

Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

AASB 5 has been early adopted in relation to the disclosure of segment information for discontinued operations.

Reporting Basis and Conventions

The half-year report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Notes to the Financial Statements for the half – year ended 30 June 2010

2. Going Concern Basis of Accounting

Notwithstanding the loss for the year, negative cash flows from operations and historical financial performance, the financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The directors believe that it is appropriate to prepare the financial report on a going concern basis for the following reasons:

- The new board has developed a recapitalisation proposal which includes a revised business plan.

The capital raising of $2,503,500 proposed by the Recapitalisation Proposal was completed on 19th May 2011 and will allow the Company to meet its initial objectives and expenditure plans. The Company will now make an application to ASX for its Shares to be reinstated on the official list of the ASX.

The purpose of the capital raising is to provide funds for the expansion of the Company's existing core business, which is focused on:

i. the production of biofuel and biodiesel from the beneficiation of waste oils using the proprietary technology of the Company, known as Thermodepolymerisation;

ii. the funding of operating expenses associated with the toll processing agreement with White Mountain Group LLC and feedstock suppliers;

iii. the funding of potential offtake agreements with end users of biofuel and biodiesel;

iv. expansion funding associated with new plants both directly owned and operated by White Mountain Group LLC and other third party operators;

v. funding for the research and development of the Frac Water Technology and the Solar Cracking Technology;

vi. provide funds for the further acquisition and development of other investments, as identified by the Company (that may or may not be in the same sector); and

vii. meet the costs and expenses of the recapitalisation of the Company (including payments due to under the DOCA and to the Proponent) with a view to seeking reinstatement to trading of its securities on ASX.

The Board believes that completion of the Recapitalisation Proposal will demonstrate a renewed strategy for the Company and will position the Company well for the future to enhance shareholder returns and evaluate further project opportunities.

The directors are of the opinion that the cash resources injected through the Recapitalisation Proposal will provide sufficient funds to enable the Parent Entity to continue its operations for at least the next 12 months, including the commercialisation and marketing of products under development.

Notes to the Financial Statements for the half – year ended 30 June 2010

3. Operating segments

The consolidated entity is managed primarily on the basis of product category and service offerings since the diversification of the consolidated entity's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the products sold and/or services provided by the segment;

Types of products and services by segment

Biofuel and energy
The production of renewable fuel used for generating renewable energy, including, electricity, steam, and non-potable water.

Distribution into the world wide renewable distributed electrical energy market.

Recycling
The collection and processing used cooking oil.

This segment has been disposed of during the period and hence is included in the discontinued operations in the current period.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted
Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group

Inter-segment transactions
An internally determined transfer price is set for all inter-entity sales. This price is re-set quarterly and is based on what would be realised in the event the sale was made to an external party at arm's-length. All such transactions are eliminated on consolidation for the Groups financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Notes to the Financial Statements for the half – year ended 30 June 2010

3. Operating segments (continued)

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the consolidated entity as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items
The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- net gains on disposal of available-for-sale investments;
- income tax expense;
- intangible assets; and
- discontinuing operations.

Comparative information
This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard.

	Biofuel and energy	**Consolidated Group (Continuing Operations)**	**Discontinuing Operations**
	$	**$**	**$**
6 months to 30 June 2010			
REVENUE			
External sales	-	-	-
Other revenue	-	-	-
Total segment revenue	-	-	-
Intersegment elimination	-	-	-
Total group revenue	-	-	-
Segment net loss before tax	(299,947)	(299,947)	-
Total Assets	11,497	11,497	-

Notes to the Financial Statements for the half – year ended 30 June 2010

3. Operating segments (continued)

	Biofuel and energy $	Consolidated Group (Continuing Operations) $	Discontinuing Operations $
6 months to 30 June 2009			
REVENUE			
External sales	-	-	1,509,000
Other revenue	3,086,000	3,086,000	-
Total segment revenue	3,086,000	3,086,000	1,509,000
Intersegment elimination	(2,952,000)	(2,952,000)	-
Total group revenue	134,000	134,000	1,509,000
Segment net loss before tax	(951,000)	(951,000)	(3,659,000)
Total Assets	16,606,000	16,606,000	3,050,000

4. Discontinued Operations

(a) Details of operations disposed and held for sale

The company disposed of the business of its wholly owned subsidiary ACN 051 792 495 Pty Limited (formerly known as Scanline Pty Limited) under a contract dated 4 April 2009. The Board of Directors have announced to the ASX that the Narangba land and building has been disposed of on 26 June 2009. The company is looking at disposing of non-core asset (being the Berkeley Vale plant and the Narangba Plant) to provide further working capital to fully implement the revised business strategy and ensure that the company can continue to pay its debts when they become due and payable, these have therefore been classified as assets held for sale. The loss on the sale of the ACN 051 792 495 Pty Limited (formerly known as Scanline Pty Limited) assets for the half year ended 30 June 2009 was $57,663.

(b) Financial performance of operations disposed and held for sale

There were no discontinuing operations in the 6 months ended 30 June 2010. The financial performance of the discontinuing operations to the date of sale or 30 June 2009 is included in the loss from discontinued operations per the comprehensive statement of income which is as follows:

	Consolidated		
30 June 2009	**Biodiesel * $**	**Recycling $**	**Total $**
Revenue	-	1,509,000	1,509,000
Expenses	(3,614,000)	(1,554,000)	(5,168,000)
Loss before income tax	(3,614,000)	(45,000)	(3,659,000)
Income tax expense	-	-	-
Loss attributable to members of the parent entity	(3,614,000)	(45,000)	(3,659,000)
Loss on sale before income tax	(3,614,000)	(45,000)	(3,659,000)
Income tax benefit	-	-	-
Loss on sale after income tax	(3,614,000)	(45,000)	(3,659,000)

Notes to the Financial Statements for the half – year ended 30 June 2010

4. Discontinued Operations (continued)

(b) Financial performance of operations disposed and held for sale (cont)

	Consolidated		
30 June 2009	**Biodiesel * $**	**Recycling $**	**Total $**
Assets			
Property, plant and equipment	3,050,000	-	3,050,000
Assets classified as held for sale	3,050,000	-	3,050,000

The net cash flows of the discontinuing division which have been incorporated into the statement of cash flows are as follows:	
Net cash outflow from operating activities	(44,000)
Net cash inflow from investing activities	633,000
Net cash inflow from financing activities	199,000
Net cash increase in cash generated by the discontinuing operations	788,000

* this relates to operations relating to the Berkeley Vale & Narangba plants that were held for sale at 30 June 2009.

5. Events Subsequent to the Reporting Date

On 18 March 2010, Mr Phillip Pinn of Pinn Deavin BIO was appointed as administrator by the Company's board of directors pursuant to Section 436A of the Corporations Act.

At the first meeting of the creditors it was resolved by the creditors of the Company that Mr Geoffrey Reidy of Rodgers Reidy be appointed as administrator of the Company to replace Mr Pinn.

Hemisphere Investment Partners Pty Ltd (Hemisphere) subsequently put forward a proposal to the administrator to reconstruct and recapitalise the Company with a view to ensuring that the Company could continue to operate as a going concern and seek reinstatement to trading on ASX (Proposal).

On 3 September 2010, the Proposal by Hemisphere (Proponent) was put to creditors and approved. The Proposal can be summarised as follows:

a. The Company will consolidate its existing issued capital on a one (1) for three (3) basis (being the Consolidation). This was approved by Shareholders at the Company's General Meeting to be held on 19 April 2011.

b. The Proponent has provided a non refundable deposit of $75,000 to the Company to be applied by the Deed Administrator to the Creditors Trust.

c. The Proponent will be entitled to the Corporate Fee on termination of the DOCA.

d. The Company will undertake the Offers pursuant to this Prospectus lodged with the ASIC on 5 April 2011.

e. All of the directors of the Company will be removed and replaced by nominees of the Proponent.

The Company subsequently entered into a Deed of Company Arrangement (**DOCA**) that provided for the payment of funds into the Company, and settlement of creditors' claims (consistently with the terms of the Proposal).

Notes to the Financial Statements for the half – year ended 30 June 2010

5. Events Subsequent to the Reporting Date (continued)

Conditions precedent to the DOCA include:

a. the Company obtaining Shareholder approval of, inter alia, the Consolidation, the payment of the Corporate Fee to the Proponent and the Proponent Offer;

b. all employees of the Company being terminated prior to the termination of the DOCA;

c. ASX confirming in writing that it will lift the Company's suspension on the ASX following the Capital Raising on terms satisfactory to the Proponent and the Company without the need to re-comply with Chapters 1 and 2 of the ASX Listing Rules; and

d. the Offers pursuant to this Prospectus being closed and the minimum subscription of $2,200,000 being raised.

The DOCA will be terminated following completion of:

a. the capital raisings under this Prospectus;

b. payment to the Deed Administrator of $780,000 (to be applied to the Creditors Trust established to meet the payment of the Administrator's fees and expenses, Deed Administrator's fees and expenses and the satisfaction of the compromised creditor's claims) and transfer to the Creditors Trust of all the Company's assets (including the issued share capital of the Company's wholly owned subsidiary, ACN 051 792 495 Pty Ltd). Together the payment amount and the transferred assets will be the amount to be applied to the Creditors Trust after payment of the Administrator's fees and expenses and the Deed Administrator's fees and expenses; and

c. payment to the Proponent of the Corporate Fee and the issue of Shares and Options to the Proponent under the Proponent Offer.

Your current Board has been appointed pursuant to a Deed of Company Arrangement, and believes that combined with a recapitalisation of the Company and a review of the Company's operational strategy, the Company will be well positioned to generate shareholder returns.

The Board believes that completion of the Recapitalisation Proposal will demonstrate a renewed strategy for the Company and will position the Company well for the future to enhance shareholder returns and evaluate further project opportunities.

The capital raising of $2,503,500 proposed by the Recapitalisation Proposal was completed on 19th May 2011 and will allow the Company to meet its initial objectives and expenditure plans. The Company will now make an application to ASX for its Shares to be reinstated on the official list of the ASX.

The purpose of the Offers is to:

a. provide funds for the expansion of the Company's existing core business, which is focused on:

i. the production of biofuel and biodiesel from the beneficiation of waste oils using the proprietary technology of the Company, known as Thermodepolymerisation;

ii. the funding of operating expenses associated with the toll processing agreement with White Mountain Group LLC and feedstock suppliers;

iii. the funding of potential offtake agreements with end users of biofuel and biodiesel;

iv. expansion funding associated with new plants both directly owned and operated by White Mountain Group LLC and other third party operators; and

Notes to the Financial Statements for the half – year ended 30 June 2010

5. Events Subsequent to the Reporting Date (continued)

v. funding for the research and development of the Frac Water Technology and the Solar Cracking Technology.

vi. provide funds for the further acquisition and development of other investments, as identified by the Company (that may or may not be in the same sector); and

vii. meet the costs and expenses of the recapitalisation of the Company (including payments due to under the DOCA and to the Proponent) with a view to seeking reinstatement to trading of its securities on ASX.

A number of significant corporate events have occurred since the reporting period:

- On 18 March 2010, the Directors of the Company appointed Phillip Pinn of Pinn Deavin BIO as Voluntary Administrator of Solverdi WorldWide Limited .

- At the first meeting of the creditors it was resolved by the creditors of the Company that Mr Geoffrey Reidy of Rodgers Reidy be appointed as administrator of the Company to replace Mr Pinn.

- At a meeting on 3 September 2010, the creditors resolved that the Company enter into a Deed of Company Arrangement (DOCA), which was executed on 24 September 2010.

  On 24 September 2010:

  i. the Company and Geoffrey Reidy executed the Reconstruction Deed, under which the:

     a. Trustee became the Trustee of the Creditor's Trust;

     b. Company was required to reconstruct and recapitalise the Company by no later than 31 May 2011; and

     c. The Company was required, and covenanted, to transfer all assets and liabilities, with the exception of the Intellectual Property that relates to the Thermodepolymerisation Technology, the Frac Water Technology and the Solar Cracking Technology and pay the settlement sum of $780,000 to the Trustee by no later than 31 May 2011.

- On 24 September 2010, the Company and the Administrator entered into a Reconstruction Deed pursuant to which Hemisphere Investment Partners agreed to facilitate the recapitalisation of the Company referred to below.

On 24 September 2010, pursuant to Section 442A of the Corporations Act 2001, Benjamin John Bussell, Gino D'Anna and Darren Paul Olsen were appointed as Directors of the Company. On 24 September 2010 and immediately following execution of the DOCA, control of the Company passed to these Directors.

The principal features of the Proposal are as follows:

i. ***Consolidation of Capital:*** Consolidation of the existing issued capital of the Company on a 1 for 3 basis from 103,799,882 shares on issue to 34,599,961 post consolidation shares on issue.

ii. ***Reduction of Capital:*** Reduction of the Company's share capital by a portion of accumulated losses.

iii. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 60,000,000 New Shares to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company at an issue price of $0.005 per share in consideration for the payment of $300,000.

iv. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 35,000,000 New Shares to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company at an issue price of $0.0001 per share in consideration for the payment of $3,500.

Notes to the Financial Statements for the half – year ended 30 June 2010

5. Events Subsequent to the Reporting Date (continued)

v. ***Issue of New Shares to Hemisphere Investment Partners or its nominees:*** The issue of 20,000,000 New Shares for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company. These shares have a deemed issue price of 1 cent per share.

vi. ***Issue of New Shares to Hemisphere Investment Partners or its nominees***: The issue of 15,000,000 New Shares for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company in consideration for the payment of a $75,000 Deposit pursuant to the Deposit Convertible Note Agreement. These shares have a deemed issue price of 0.5 cents per share.

vii. ***Prospectus Issue:*** The issue of 220,000,000 New Shares in the Company at a price of not less than 1 cent per share under a Prospectus to raise not less than $2.2 million. The minimum fund raising is $2.2 million via the issue of 220,000,000 shares. From the capital raising, a sum of $780,000 will be paid to the Trustee of the Creditors Trust to settle the Creditors claims in full;

viii. ***Issue of New Options to Hemisphere Investment Partners or its nominees***: The issue of up to 80,000,000 New Options for nil consideration to Hemisphere Investment Partners or its nominees under the Prospectus to be issued by the Company;

ix. ***Board Changes***: The Board of Directors of the Company will change as soon as practicable after the date of the Prospectus being fully subscribed at which time the proposed Directors will be appointed and such of the Existing Directors as Resource Corporate Services requests will resign;

x. ***Company Name:*** The Company requests shareholder approval to change its name to SWW Energy Limited Limited. On 2 May 2011, the Company changed its name to SWW Energy Limited Limited.

Future Developments, Prospects and Business Strategies

The new board of SWW Energy Limited (**New Board**) intends to further evaluate and develop the renewable fuel business via the use of the TDP™ Thermodepolymerisation Technology.

The continuing business operations of the Company are based on the technology and licence agreement executed with White Mountain. This includes the Shallow Water Reactor Process, the Frac Water Technology, the TDP™ Thermodepolymerisation Technology and the Solar Cracking Technology. The TDP™ Thermodepolymerisation Technology will underpin the continued operations of the Company as SWW Energy Limited embarks upon a restructured business plan designed to mitigate the need for extensive capital investments whilst maintaining the same business operations.

Thermodepolymerisation (**TDP**) is a depolymerisation process using hydrous pyrolysis for the reduction of complex organic materials (usually waste products of various sorts, often biomass and plastic) into light crude oil. It mimics the natural geological processes thought to be involved in the production of fossil fuels. Under pressure and heat, long chain polymers of hydrogen, oxygen, and carbon decompose into short-chain petroleum hydrocarbons with a maximum length of around 18 carbons.

On 1 December 2010, White Mountain and the Company signed an agreement allowing SWW Energy Limited the right to access the excess capacity at a renewable fuel plant located in North Las Vegas, Nevada operated by experts engaged by White Mountain for the production of biofuel using feedstock supplied by SWW Energy Limited.

The White Mountain plant in Nevada currently has total capacity of 240,000 litres per month, a portion of which can be secured by SWW Energy Limited in the production of the Biofuel and biodiesel. The toll processing arrangement allows SWW Energy Limited to pay White Mountain a toll processing fee equal to US$0.86 for every litre of Biodiesel and a license fee of US$0.054 per litre of Biodiesel produced for the use of the technology in the plant, produced at standard temperature and pressure at the White Mountain Facility from the feed stocks supplied by SWW Energy Limited, delivered to SWW Energy Limited.

Notes to the Financial Statements for the half – year ended 30 June 2010

5. Events Subsequent to the Reporting Date (continued)

Access to the treatment plant will allow SWW Energy Limited to reduce the need to raise large sums of capital associated with the capital expenditure required for the construction, operation and maintenance of the plants on an ongoing basis. This is considered to be a more efficient business model than previously employed by SWW Energy Limited and allows the Company to treat waste oil products using the White Mountain plant by sharing the sale margin with White Mountain. In addition, the experts and personnel that operate the plant on behalf of White Mountain will provide their expertise to SWW Energy Limited during the beneficiation and manufacturing process.

In addition to accessing personnel and experts within White Mountain, SWW Energy Limited may also be able to utilise the existing White Mountain customer base as an opportunity to channel its own production of biofuel and biodiesel.

This business model is essentially the same as the core business of SWW Energy Limited prior to it being placed into administration, without the risk associated with constructing and operating its own biodiesel plants. In turn, the associated large sums of capital which were required under the previous business model are no longer required.
SWW Energy Limited will endeavour to create “micro-plant” operations in the fragmented waste oil and grease interceptor industry. SWW Energy Limited will attempt to create service collection “vacuums”, that competing companies will find difficult to react to, and implement effective “radius” marketing to increase customer density.

SWW Energy Limited, through its proprietary technology, intends to convert the collected waste material into a value added resource for the manufacture of renewable fuels. Using proprietary, patent issued and patent pending, technology to convert waste water and waste oil sources to alternative fuel.

The future activities of the Company will largely focus on the commercial application of the existing SWW Energy Limited technology, with a view to achieving the production and sale of biofuel and biodiesel products into the transport industry as well as animal feed stock to the agricultural industry under a relationship with White Mountain.

This will be accomplished through the toll processing agreement with White Mountain.

As part of the recapitalisation, the Company will also evaluate other project opportunities for acquisition or investment. The Company proposes to review projects across a range of sectors.

The Company proposes to investigate acquisitions and investments in the following sectors:

a. metals and mining across all commodities, including iron ore, gold, copper, manganese, lead, zinc, silver, platinum, chrome, nickel and rare earth elements;

b. energy and energy related investments including oil and gas, coal bed methane, coal and uranium; and

c. renewable energy and fuels including Biofuel, biodiesel and ethanol.

The report for the six months ended 30 June 2010 was authorised for issue on 12 July 2011 by the board of directors.

6. Commitments

At the time of this report there were no commitments requiring disclosure.

7. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period.

8. Issuance and Repurchase of Shares

During the period the company issued 3,044,684 ordinary fully paid shares via a share placement plan for $298,379.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 21:

    a. comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and

    b. give a true and fair view of the consolidated entity's financial position as at 30 June 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

Mr Matthew Foy
Executive Director
Dated this 12th day of July 2011

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Independent Auditor's Review Report
To the Members of SWW Energy Limited

We have reviewed the accompanying half-year financial report of SWW Energy Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the 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 controls 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 consolidated 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 a 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 30 June 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 SWW Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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 complied with the independence requirements of the Corporations Act 2001.

Basis for disclaimer of auditor's conclusion

The directors of SWW Energy Limited were only able to provide limited documentation and support with regard to the accounting records for the half-year ended 30 June 2010. An administrator was appointed to the company on 18 March 2010 with a Deed of Company Arrangement and Recapitalisation Deed with Hemisphere Investment Partners Pty Limited being executed on 24 September 2010. As a result, the limited accounting records provided are not adequate to permit the application of necessary review procedures, therefore we are unable to obtain all the information and explanations we require in order to form a conclusion on the financial report.

Disclaimer of auditor's conclusion

Based on our review, which is not an audit, because of the existence of the limitation on the scope of our work, as described in the preceding paragraph, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation not existed, we are unable to and do not conclude as to whether the financial report of SWW Energy 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 30 June 2010 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.

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GRANT THORNTON NSW
Chartered Accountants

G S Layland
Partner

Sydney, 12 July 2011