

27 February 2008
 The Announcements Officer
 Australian Securities Exchange
 Brisbane

Dear Sir

Mercury Mobility Limited Half-Year Results 31 December 2008

Mercury earned total revenue of \$2,793,448 for the half-year ended 31 December 2008, down 26% from the previous corresponding period. Whilst revenue has decreased period on period, the gross margin contribution decreased \$355,929 (16%). The improvement in gross margins from 57% to 64%, has offset the decreased revenue and is primarily due to increased sales of more profitable content (including Mercury created content) and the promotion of more profitable channels.

Furthermore Mercury's performance during the half-year improved quarter on quarter. After adding back non-cash transactions Mercury's normalised loss for the second quarter was only \$34,276. The Board forecasts a stable and improved working capital and cash position during the course of FY2009.

Mercury's half-year loss of \$2,726,753, compared with a loss of \$219,280 for the previous corresponding period, was mainly caused by the non-cash impairment of intangible assets. After removing one-off costs relating to the write off of income tax, the impairment of intangible assets, and the cancellation of options, Mercury's normalised results are as follows:

Mercury Mobility Limited Consolidated Income Statement	6 Months Ended 31 December 2008 \$	6 Months Ended 31 December 2007 \$
Revenue and other income	2,793,448	3,753,849
Royalty, content and hosting costs	(999,528)	(1,604,000)
Gross margin	1,793,920	2,149,849
Gross margin %	64%	57%
Total expenses	(3,496,115)	(2,437,464)
Profit / (loss) before tax	(1,702,195)	(287,615)
Income tax benefit / (expense)	(1,024,558)	68,335
Profit / (loss) after tax	(2,726,753)	(219,280)
Normalised adjustments to profit / (loss) before tax		
Profit / (loss) before tax	(1,702,195)	(287,615)
Add back: Share-based payments	88,975	54,084
Add back: Impairment of intangibles	1,070,431	-
Normalised profit / (loss)	(542,789)	(233,531)

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Mercury's performance over the last two quarters highlights quarter on quarter profit improvements:

Mercury Mobility Limited Consolidated Income Statement	First Quarter \$	Second Quarter \$	31 December 2008 Half-Year \$
Revenue	1,461,371	1,332,077	2,793,448
Total expenses	(1,806,226)	(2,689,417)	(4,495,643)
Profit / (loss) before tax	(344,855)	(1,357,340)	(1,702,195)
Normalised adjustments to Profit / (loss) before tax			
Add back: Depreciation	22,090	22,329	44,419
Add back: Amortisation	162,071	162,071	324,142
Add back: Share based payments	20,742	68,233	88,975
Add back: Impairment of intangibles	0	1,070,431	1,070,431
Normalised profit / (loss)	(139,952)	(34,276)	(174,228)

Mercury's closing 31 December cash position was \$1,387,573. All major technology investment has been completed and future capital expenditure requirements will be relatively insignificant. Mercury has a strong technology platform scalable for growth and leverage.

Mercury creates a product once and sells it many times.

This demonstrates a few emerging trends. **Firstly**; the successful investment in Mercury technology has enabled the business to continue to manage new clients, whilst significantly reducing overheads. One of the key drivers of Mercury's future growth is to expand the number of carrier distributors. Our flexible content management system enables us to rapidly add new products and lines of business. We are currently pursuing new carrier opportunities during FY2009. **Secondly**; the Mercury business model is flexible and able to rapidly respond to customer requirements and market changes. **Thirdly**; the addition of new carriers is testimony to our people, product and services.

The 3G mobile telephone is quickly emerging as the key ubiquitous device for delivery of billable digital content such as full track music, applications, video, games and accessories such as ringtones, wallpapers and pictures. Mobile network services are increasingly integrated with other digital platforms such as the web, digital television, retail point-of-sale, and physical content distribution.

Mercury's business model and value proposition perfectly positions it to exploit the fast expanding global digital content industry and Mercury is focused on becoming a successful and profitable global operator in the middle of this marketplace.



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The Board of Directors would like to advise that they have accepted Ben Loiterton's resignation as a Director of Mercury Mobility Limited, effective 5pm 27 February 2009. The Board would like to thank him for his services and support during his tenure.

.../3



Mel Brookman
Chairman



Ben Grootemaat
Managing Director



Appendix 4D

Half year report 6 Months Ended 31st December 2008

Name of entity	ABN
MERCURY MOBILITY LIMITED	94 125 736 914
Reporting period (current)	Reporting period (previous corresponding period)
31ST DECEMBER 2008	31ST DECEMBER 2007

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Financial results

Revenue from ordinary activities	Down	26 %	to	\$2,793,448
Profit (loss) from ordinary activities after tax attributable to members	Down	1144%	to	(\$2,726,753)
Profit (loss) attributable to members	Down	1144%	to	(\$2,726,753)

Financial results explanation

Please see the attached covering letter for commentary on the results for the period.

Net tangible asset per security

	Period ended 31 December 2008	Period ended 31 December 2007
Net assets per share	0.01 cents	0.05 cents
Net Tangible assets per share	0.01 cents	0.03 cents

Dividends

The Company does not currently propose to pay a dividend. As the Company is in a growth phase, the Directors anticipate that, for the foreseeable future, any earnings will be retained in the Company to fund the further development of the Company.

Notes

This Appendix 4D should be read in conjunction with the attached Half-Year Financial Report.

+ See chapter 19 for defined terms.

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Mercury Mobility Limited

ABN: 94 125 736 914

Interim Financial Report

For the Half-Year Ended

31 December 2008

Mercury Mobility Limited

Interim Financial Report

For the Half-Year Ended 31 December 2008

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Mercury Mobility Limited

Corporate Directory

Directors	Mel Brookman - <i>Non-Executive Chairman</i> Alexander Beard - <i>Non-Executive Director</i> Ben Loiterton - <i>Non-Executive Director</i> Ben Grootemaat - <i>Managing Director and CEO</i>
Company secretary	Stephen Doyle
Registered office	59 - 61 Qantas Drive Eagle Farm BRISBANE QLD 4009 Telephone: +61 7 3853 5551 Facsimile: +61 7 3860 6337
Share registry	Computershare Investor Services Pty Limited GPO Box 523 BRISBANE QLD 4001 Telephone: 1300 552 270 or +61 7 3237 2100 Facsimile: +61 7 3229 9860
Stock exchange listing	ASX: MMY
Listed on the ASX	2 August 2007
Auditors	Johnston Rorke Level 30, Central Plaza One 345 Queen Street BRISBANE QLD 4000
Legal advisors	DLA Phillips Fox Level 29 Waterfront Place 1 Eagle Street BRISBANE QLD 4000
Internet address	www.mercurymobility.com



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Mercury Mobility Limited

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group) consisting of Mercury Mobility Limited and its controlled entities for the period ended 31 December 2008.

1. Directors

The following persons were directors of Mercury Mobility Limited (the Company) during the period and up to the date of this report unless otherwise stated:

Mel Brookman (Chairman)

Alexander Beard (Non-Executive Director)

Ben Grootemaat (Managing Director)

Ben Loiterton (Non-Executive Director)

2. Principal activities

During the half-year ended 31 December 2008 the principal activity of the Group was the creation and sale of mobile phone content.

3. Review of operations

For the half-year ended 31 December 2008 the Group recorded a net loss after tax of \$2,726,753 (2007: \$219,280). The operating results of the Group for the half-year are summarised as follows:

	6 Months Ended 31 December 2008 \$	6 Months Ended 31 December 2007 \$
Revenue and other income	2,793,448	3,753,849
Royalty, content and hosting costs	(999,528)	(1,604,000)
Gross margin	1,793,920	2,149,849
Gross margin %	64%	57%
Total expenses	(3,496,115)	(2,437,464)
Profit / (loss) before tax	(1,702,195)	(287,615)
Income tax benefit / (expense)	(1,024,558)	68,335
Profit / (loss) after tax	(2,726,753)	(219,280)
Normalised adjustments to profit / (loss) before tax		
Profit / (loss) before tax	(1,702,195)	(287,615)
Add back: Share-based payments	88,975	54,084
Add back: Impairment of intangibles	1,070,431	-
Normalised profit / (loss)	(542,789)	(233,531)



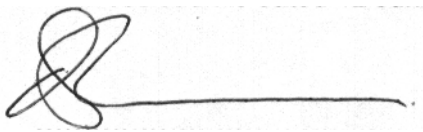
Mercury Mobility Limited

Directors' Report (continued)

4. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 accompanies this report.

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



Mel Brookman
Chairman and Director
27th February 2009



Ben Grootemaat
Managing Director and CEO
27th February 2009



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The Directors
Mercury Mobility Limited
59 – 61 Qantas Drive
EAGLE FARM QLD 4009

Dear Sirs

Auditor's Independence Declaration

As lead engagement partner for the review of the financial report of Mercury Mobility Limited for the half-year ended 31 December 2008, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

JOHNSTON RORKE
Chartered Accountants

K.A. HAIDUK
Partner

Brisbane, Queensland
27 February 2009



Mercury Mobility Limited

Consolidated Income Statement

For the half-year ended 31 December 2008

		6 MONTHS ENDED 31 DEC 2008	6 MONTHS ENDED 31 DEC 2007
	NOTES	\$	\$
Revenue and Other Income			
Sales – goods		2,710,043	3,672,232
Interest		31,297	81,617
Foreign exchange gains (net)		52,108	-
		<u>2,793,448</u>	<u>3,753,849</u>
Expenses			
Employees benefits		1,445,453	1,299,645
Share-based payments		88,975	54,084
Depreciation		44,419	45,500
Amortisation of intangibles	3	324,142	323,196
Royalty, content and hosting costs		999,528	1,604,000
Advertising		26,347	63,887
Occupancy costs		121,404	140,886
Financing costs		1,347	11,005
Professional fees		83,477	58,893
Travel		230,026	254,132
Impairment of intangibles	3	1,070,431	-
Other expenses		60,094	186,236
Total expenses		<u>4,495,643</u>	<u>4,041,464</u>
Profit / (loss) before tax		(1,702,195)	(287,615)
Income tax benefit / (expense)	5	(1,024,558)	68,335
Profit / (loss) after tax		<u>(2,726,753)</u>	<u>(219,280)</u>
		cents	cents
Basic and diluted earnings per share (loss)		(2.59)	(0.21)

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



Mercury Mobility Limited

Consolidated Balance Sheet

As at 31 December 2008

	NOTES	31 DEC 2008 \$	30 JUN 2008 \$
Current Assets			
Cash and cash equivalents		1,387,573	1,548,874
Trade and other receivables	2	915,127	879,831
Other current assets		47,302	78,956
Total Current Assets		2,350,002	2,507,661
Non-Current Assets			
Receivables	2	211,766	201,480
Property, plant and equipment		177,838	223,190
Intangible assets	3	-	1,391,573
Deferred tax assets	5	-	963,365
Total Non-Current Assets		389,604	2,779,608
Total Assets		2,739,606	5,287,269
Current Liabilities			
Trade and other payables		1,698,254	1,567,714
Provisions		59,426	118,186
Total Current Liabilities		1,757,680	1,685,900
Non-Current Liabilities			
Provisions		41,708	23,373
Total Non-Current Liabilities		41,708	23,373
Total Liabilities		1,799,388	1,709,273
Net Assets		940,218	3,577,996
Equity			
Contributed equity	4	4,863,489	4,863,489
Reserves		151,200	62,225
Accumulated losses		(4,074,471)	(1,347,718)
Total Equity		940,218	3,577,996

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



Mercury Mobility Limited

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2008

	Contributed equity \$	Share-based payment reserve \$	Retained earnings/ (accumulated losses) \$	Total \$
At 1 July 2007	2,055,713	-	280,411	2,336,124
Issue of shares	3,000,018	-	-	3,000,018
Share issue costs (net of tax)	(238,403)	-	-	(238,403)
Employee share options	-	31,113	-	31,113
Loss for the period	-	-	(219,280)	(219,280)
At 31 December 2007	4,817,328	31,113	61,131	4,909,572
At 1 July 2008	4,863,489	62,225	(1,347,718)	3,577,996
Employee share options	-	88,975	-	88,975
Loss for the period	-	-	(2,726,753)	(2,726,753)
At 31 December 2008	4,863,489	151,200	(4,074,471)	940,218

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



Mercury Mobility Limited

Consolidated Cash Flow Statement

For the half-year ended 31 December 2008

	6 MONTHS ENDED 31 DEC 2008 \$	6 MONTHS ENDED 31 DEC 2007 \$
Cash Flows From Operating Activities		
Receipts from customers	2,863,878	3,770,388
Payments to suppliers and employees	(2,982,427)	(2,866,403)
Income tax paid	(61,193)	(58,150)
Interest received	21,011	72,306
Interest paid	(1,347)	(11,005)
Net cash provided by / (used in) operating activities	<u>(160,078)</u>	<u>907,136</u>
Cash Flows From Investing Activities		
Proceeds from disposal of plant and equipment	1,777	-
Payments for plant and equipment	-	(48,990)
Deposit – other current asset	-	(100,000)
Payments for intangible assets	(3,000)	(706,498)
Net cash (used in) investing activities	<u>(1,223)</u>	<u>(855,488)</u>
Cash Flows From Financing Activities		
Proceeds from issue of ordinary shares	-	2,977,018
Repayment of loan payable to Cellnet	-	(315,021)
Payment of share issue costs	-	(119,542)
Net cash provided by financing activities	<u>-</u>	<u>2,542,455</u>
Net increase / (decrease) in cash and cash equivalents	(161,301)	2,594,103
Cash and cash equivalents at the beginning of the reporting period	1,548,874	90,688
Cash and cash equivalents at the end of the reporting period	<u>1,387,573</u>	<u>2,684,791</u>

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



Mercury Mobility Limited

Notes to the Financial Statements

For the half-year ended 31 December 2008

1. Summary of Significant Accounting Policies

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 Mercury Mobility Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

2. Trade and Other Receivables

	31 DEC 2008	30 JUN 2008
	\$	\$
Current		
Trade debtors	349,389	366,363
Unbilled income	565,738	513,468
	<u>915,127</u>	<u>879,831</u>
Non-Current		
Loans to key management personnel	211,766	201,480
	<u>211,766</u>	<u>201,480</u>

In accordance with the terms and conditions of the grant of 10 million options to Mr Ben Grootemaat, which were exercised before 30 June 2007, payment of the \$250,000 exercise price of 2.5 cents per share has been treated as a loan carried at amortised cost based on a discount rate of 10%.

3. Intangible Assets

	31 DEC 2008	30 JUN 2008
	\$	\$
Website development – at cost	432,260	432,260
Accumulated amortisation and impairment	(432,260)	(274,596)
	<u>-</u>	<u>157,664</u>
Systems development – at cost	1,380,640	1,380,640
Accumulated amortisation and impairment	(1,380,640)	(367,437)
	<u>-</u>	<u>1,013,203</u>
Content – at cost	897,978	894,978
Accumulated amortisation and impairment	(897,978)	(674,272)
	<u>-</u>	<u>220,706</u>
	<u>-</u>	<u>1,391,573</u>



Mercury Mobility Limited

Notes to the Financial Statements (continued)

For the half-year ended 31 December 2008

3. Intangible Assets (continued)

Movements in intangible assets during the period were as follows:

	6 MONTHS ENDED 31 DEC 2008 \$	6 MONTHS ENDED 31 DEC 2007 \$
<i>Website development</i>		
Balance at beginning of period	157,664	150,590
Additions	-	102,114
Amortisation	(49,036)	(46,800)
Impairment	(108,628)	-
Balance at end of period	-	205,904
<i>Systems development</i>		
Balance at beginning of period	1,013,203	553,565
Additions	-	313,968
Amortisation	(216,265)	(96,393)
Impairment	(796,938)	-
Balance at end of period	-	771,140
<i>Content</i>		
Balance at beginning of period	220,706	475,555
Additions	3,000	290,412
Amortisation	(58,841)	(180,003)
Impairment	(164,865)	-
Balance at end of period	-	585,964

Impairment

Intangible assets are reviewed for impairment where there are indicators that the carrying amount may not be recoverable. The consolidated entity recorded a loss for the six months ended 31 December 2008 indicating that the carrying amounts of the intangible assets may have been impaired. Management expects a return to profitability in the near future on the basis of new customers and associated revenue streams. Nonetheless given the current state of the economy and the new unpredictable economic reality, a conservative and prudent approach has been taken in determining the value-in-use of the Group's intangibles.

Based on a conservative and prudent approach, the recoverable amounts of intangible assets were determined using the value-in-use calculations on the present value of cash flow projections over 5 years using a discount rate of 15%.

Based on the above conservative and prudent value-in-use calculations, the carrying values of intangible assets as at 31 December 2008 were not considered to be recoverable. An impairment charge of \$1,070,431 has been recognised in the current period.



Mercury Mobility Limited

Notes to the Financial Statements (continued)

For the half-year ended 31 December 2008

4. Contributed Equity

	31 DEC 2008	30 JUN 2008
Share capital	\$	\$
105,326,482 (June 2008: 105,326,482) fully paid ordinary shares	<u>4,863,489</u>	<u>4,863,489</u>

There were no movements in share capital during the December 2008 half-year. For the December 2007 half-year the movements were:

- On 27 July 2007 the parent entity issued 14,885,089 ordinary shares at 20 cents per share pursuant to a 3 for 16 rights issue to raise \$2,977,018 cash.
- On 27 July 2007 the parent entity issued 115,000 ordinary shares to employees for no consideration under the Employee Share and Option Plan ("ESOP"). The assessed fair value of these shares of \$23,000 (20 cents per share) was expensed during the half-year.

Details	Notes	No. of Shares	\$
Balance as at 1 July 2007		90,000,479	2,055,713
Shares issued under rights issue	(a)	14,885,089	2,977,018
Share issue costs (net of tax)		-	(238,403)
Shares issued under ESOP:			
- July 2007	(b)	<u>115,000</u>	<u>23,000</u>
Balance as at 31 December 2007		<u>105,000,568</u>	<u>4,817,328</u>

Options

As at balance date the number of options to purchase ordinary shares in the parent entity was as follows:

Number of Options		Exercise Price	Expiry Date
31 DEC 08	30 JUN 08		
-	300,000	30 cents	11 October 2009
-	500,000	40 cents	11 October 2010
-	800,000	50 cents	11 October 2011

The options were issued to employees under the Employee Share and Options Plan. During the December 2008 half-year the options were cancelled.



Mercury Mobility Limited

Notes to the Financial Statements (continued)

For the half-year ended 31 December 2008

5. Income Tax

	6 MONTHS ENDED 31 DEC 2008 \$	6 MONTHS ENDED 31 DEC 2007 \$
<i>Numerical reconciliation of income tax expense to prima facie tax payable</i>		
Loss before income tax expense	(1,702,195)	(287,615)
Tax at the Australian tax rate of 30% (2007: 30%)	(510,659)	(86,285)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share based payments	26,693	16,234
Research and development	(4,013)	-
Other	3,880	1,716
	(484,099)	(68,335)
Current period net deferred tax assets not recognised	545,292	-
Prior period net deferred tax assets written down	963,365	-
Income tax expense/(benefit)	1,024,558	(68,335)

The utilisation of the deferred tax asset is dependent on future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These in turn depend on estimates of future sales volumes, operating costs, capital expenditure and other capital management transactions.

Further to commentary within note 3, given the current state of the economy, and this new unpredictable economic reality, a conservative and prudent approach has been taken in order to ascertain whether the future taxable profits are more than likely to be recoupable.

Management has determined that due to the uncertainty of the future taxable profits the net deferred tax asset of \$1,508,657 has not been recognised.



Mercury Mobility Limited

Notes to the Financial Statements (continued)

For the half-year ended 31 December 2008

6. Subsidiaries

The consolidated financial statements include the financial statements of Mercury Mobility Ltd and the subsidiaries listed in the following table.

	Notes	Country of incorporation	Equity Holdings	
			31 DEC 2008	30 JUNE 2008
Parent Entity:				
Mercury Mobility Limited		Australia		
Subsidiaries of Mercury Mobility Limited:				
Mercury Mobility (Australia) Pty Ltd		Australia	100%	100%
Mercury Mobility Canada Incorporated		Canada	100%	100%
Mercury Mobility Europe Limited		United Kingdom	100%	100%
Mercury Mobility New Zealand Limited	(a)	New Zealand	100%	100%
Jatek Pty Ltd	(b)	Australia	n/a	100%

(a) Mercury Mobility New Zealand Limited was incorporated on 7th August 2007 and is a 100% wholly owned subsidiary of Mercury Mobility (Australia) Pty Ltd.

(b) Jatek Pty Ltd was deregistered on 14th December 2008.

7. Segment Reporting

The primary reporting segment of the Group is the business segment. The Group operates in one business segment being the provision of mobile phone content services. The Group is organised into geographical regions and is reported on that basis. The Group operates in Australia (head office), New Zealand, Canada and UK.

8. Commitments and Contingent Liabilities

There were no material changes to commitments or contingent liabilities to those reported at 30 June 2008.

9. Subsequent Events

No matter or circumstance has arisen since 31 December 2008 that has significantly affected, or may significantly affect the Group operations in future financial years, or the results of those operations in future financial years, or the Group's state of affairs in future financial years.



Mercury Mobility Limited

Directors' Declaration

For the half-year ended 31 December 2008

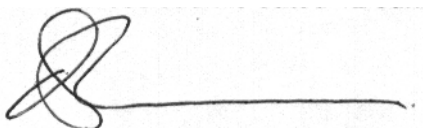
In the opinion of the directors the attached financial statements and notes:

- (a) comply with Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that Mercury Mobility 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.



Mel Brookman
Chairman and Director
27th February 2009



Ben Grootemaat
Managing Director and CEO
27th February 2009

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF MERCURY MOBILITY LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mercury Mobility Limited, which comprises the consolidated balance sheet as at 31 December 2008, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement 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 the company and the entities it controlled at the end of the half-year or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Mercury Mobility Limited 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 half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports 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 Mercury Mobility 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. 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*.

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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 Mercury Mobility 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*.

JOHNSTON RORKE
Chartered Accountants



K.A HAIKUK
Partner

Brisbane, Queensland
27 February 2009



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