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BigAir Group Limited Appendix 4D

BigAir announces EBITDA profit of $2.14 million for the financial year ending 30th June 2009, an increase of 203% on the previous corresponding full year period.

SYDNEY, Australia – August 18th, 2009 – BigAir Group Limited delivered record EBITDA profit for the year ended 30 June 2009 of $2,136,336 an increase of $1,431,887 or 203% versus EBITDA of $704,449 for the previous corresponding full year period. The strong financial results were achieved primarily through strong organic growth of $1.3 million in its "on-net" revenues from sales of its fixed wireless broadband and data services across its recently expanded WiMAX networks which now cover the six largest cities in Australia – Sydney, Melbourne, Brisbane, Perth, Adelaide and the Gold Coast. This fixed WiMAX network is now the largest of its kind in Australia.

- **"On-net" fixed wireless revenue growth of 36%** year on year
- **EBITDA** of **$2,136,336** which represents growth of **203%** versus previous year and a **CAGR of 87% over the last 3 years**
- **Pre tax Profit** of **$1,269,517**
- **Net Operating Cash Flow** of **$1,739,137**
- **Earnings per share** of **1.2 cents**

The expansion of its high margin WiMAX networks and its improving economies of scale helped to deliver a $1.4 million increase in "on-net" gross profits. The Company also reported Net Profit After Tax of $1,013,658 which is an increase of $994,729 versus the previous year's full year result.

		Year ending 30-Jun-09	Year ending 30-Jun-08	Movement $
Fixed "On-net" Revenue	**36%**	**4,991,010**	3,666,764	1,324,246
Mobile "Off-net Revenue	-68%	1,473,622	4,595,668	(3,122,046)
Gross Profit	**26%**	**4,717,964**	3,732,107	985,857
Operating Expenses	-15%	2,581,628	3,027,658	(446,030)
EBITDA	**203%**	**2,136,336**	704,449	1,431,887
EBITDA (as % Revenue)		33%	9%	
Net Profit Before Tax*	708%	**1,269,517**	(208,723)	1,478,240
Net Profit After Tax*	5255%	**1,013,658**	18,929	994,729
Earnings per share	144%	**1.2**	(2.7)	3.9
Net Tangible Assets per Share (cents)	26%	**5.9**	4.7	1.2

*For 30 June 2008 financial year NPBT and NPAT results are shown before impairment. There was no impairment in 30 June 2009 year.

The revenues in "off-net" wireless services which utilised other carrier's networks declined during the period due primarily to the closure of the iBurst network, and as a result the "off-net" gross profit declined by $0.41 million. However the discontinuation of the iBurst reseller business allowed the Company to complete the realignment of its business and as a result there was a favourable reduction in Operating Expenses of $0.45 million.

The "on-net" fixed wireless broadband division generated gross profit of $4.3 million (2008: $2.9million) for the financial year and the "off-net" mobile wireless broadband division recorded $0.4 million in gross profit (2008: $0.8 million).

Reduction in Operating Expenses of 15% versus Previous Corresponding Period

During the financial year the Company has discontinued its low margin iBurst reselling business and completed the realignment of its sales and marketing activities in order to focus on selling its own high margin, business-grade fixed broadband services. These "on-net" services contribute much higher average revenue and gross profit per customer since they utilise BigAir's own fixed WiMAX wireless networks covering the major metropolitan areas of Sydney, Melbourne, Brisbane, Perth, Adelaide and the Gold Coast. This realignment of sales efforts and other cost saving measures helped deliver a 46% reduction in sales and marketing expenses along with a 31% reduction in General Administration expenses compared to the prior corresponding period, resulting in an overall 15% reduction in operating expenses.

Operating Expenses Comparison		Year ending 30-Jun-09 $	Year ending 30-Jun-08 $	Movement $
Employee benefits expense	5%	1,522,828	1,447,078	75,750
Sales and marketing expense	-46%	327,080	603,309	(276,229)
General administration expense	-31%	591,525	852,334	(260,809)
Occupancy costs	12%	140,195	124,937	15,258
Total Operating Expenses	-15%	2,581,628	3,027,658	(446,030)

Business realignment complete – focus is now 100% "on-net" utilising the Company's own fixed wireless networks

During the period the Company closed its low margin iBurst reseller business and its remaining Unwired reseller customer base is relatively small and is not expected to contribute materially to the financial results going forward.

Division Results		Year ending 30-Jun-09 $	Year ending 30-Jun-08 $	Movement $
Fixed Wireless Revenue ("On-net")	36%	4,991,010	3,666,764	1,324,246
Fixed Wireless Gross Profit $ ("On-net")	49%	4,258,762	2,865,412	1,393,350
Fixed Wireless Gross Profit Margin % ("On-net")		85%	78%	
Mobile Wireless Revenue ("Off-net")	-68%	1,473,622	4,595,668	(3,122,046)
Mobile Wireless Gross Profit $ ("Off-net")	-47%	459,202	866,695	(407,493)
Mobile Wireless Gross Profit Margin % ("Off-net")		31%	19%	

As a result of these changes the Company is now in a position to focus all its resources on selling services on its own networks and enhancing the coverage and performance of these networks. During the last 12 months the Company has expanded its coverage substantially building out extensive new networks which cover the major metropolitan areas of Perth, Adelaide and the Gold Coast.

The company has also expanded its existing network footprint within the Sydney, Melbourne and Brisbane metropolitan areas. The BigAir wireless networks in each of these capital cities are connected using high capacity Fibre-Optic circuits which enable the Company to offer multi-site private network services to corporate and business customers.

BigAir's multi city network expansion is already producing positive financial results. Customers located in Queensland and Victoria are already contributing 20% of the total recurring revenue base and in the most recently completed month sales from states outside NSW have contributed more than 50% of the new monthly sales which helped deliver a record sales result for July 2009. BigAir's multi-city sales strategy has also won a number of new national channel partners who operate in multiple states.

BigAir's total network footprint now exceeds 15,000 square kilometres making it the largest network of its kind in Australia.

Further network rollout is planned in the FY10 financial year, particularly in Victoria and South East Queensland where customer demand recently has been particularly strong, to ensure that BigAir is able to offer the broadest and most advanced fixed wireless services coverage in the country.

The Fixed Wireless division revenues increased by 36% to approx $5 million in the year ending 30 June 2009 and its gross profit contribution increased by an even stronger 49% reflecting the scale of economies benefit achieved by growth in the network capacity and the customer base. The margins generated in this division continue to increase from 78% in FY08 to 85% in FY09.

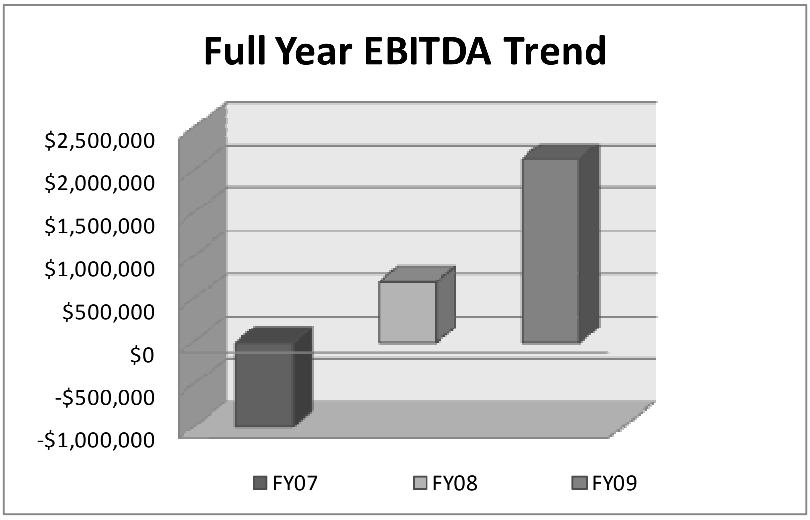
Most of the network costs of service for fixed wireless broadband services are fixed and as this product line continues to expand we expect the cost of sales to grow at lower levels, thus continuing to drive margin growth. To highlight the high margins the company enjoys on its own network it is worth noting that the growth in Fixed Wireless Revenue was $1.32 million, however the growth in Fixed Wireless Gross Profit was even higher at $1.39 million.

Consolidated Financial Performance

The Company achieved its best financial results to date in the financial year ending 30 June 2009.

		Year ending 30-Jun-09 $	Year ending 30-Jun-08 $	Movement $
EBITDA	203%	2,136,336	704,449	1,431,887
less Depreciation	34%	(706,690)	(527,376)	(179,314)
less Amortisation	-50%	(240,857)	(480,476)	239,619
Other Revenue	-15%	80,728	94,680	(13,952)
Income Tax Benefit/(Expense)	-212%	(255,859)	227,652	(483,511)
less Finance Costs		0	0	0
Net Profit (Loss) Before Tax*	708%	1,269,517	(208,723)	1,478,240
Net Profit (Loss) After Tax*	5255%	1,013,658	18,929	994,729

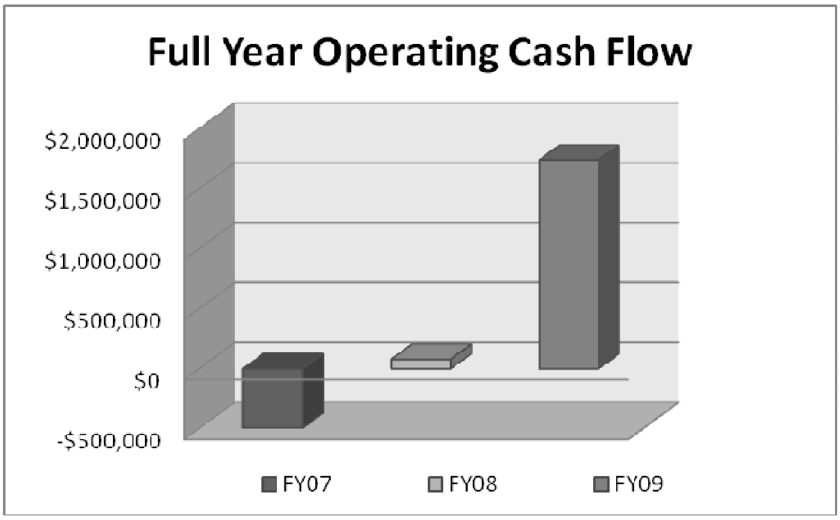
*For 30 June 2008 financial year NPBT and NPAT results are shown before impairment. There was no impairment in 30 June 2009 year.



The Net Cash flow generated from operating activities increased by $1.66 million to $1.74 million (2008: $0.76 thousand) for the financial year. The network expansion to Perth, Adelaide and the Gold Coast and other capital expenditure plans resulted in a $169,285 increase in the net cash flow used for investing activities to $1.36 million (2008: $1.19 million).

The Overall Net movement in cash generated by operating activities improved by $1.66 million versus the previous financial year, and the Closing cash balance was $2.05 million. The Company remains debt free with no overdraft or loan facilities.

Cash Flow			**Year ending 30-Jun-09 $**	**Year ending 30-Jun-08 $**	**Movement $**
Net cash flow from operating activities	▲	2164%	1,739,137	76,820	1,662,317
Net cash flow used in investing activities	▲	14%	(1,355,007)	(1,185,722)	(169,285)
Net cash flow from investing activities	-	-	-	-	-
Net movement in cash	▲	135%	384,130	(1,108,902)	1,493,032
Balance of cash at year-end	▲	23%	2,046,375	1,662,245	384,130



Business Outlook and Guidance

During the period the company completed the realignment of its business to focus on selling its own high margin, business-grade fixed broadband services and strengthened its Board and Management team. Despite the closing and loss of revenue from the iBurst resale business and the challenging market conditions the Company has performed well and has exceeded its revised market guidance for full year EBITDA of $1.8-2.0 million for the financial year just ended.

There has been much debate and conjecture around the government's proposed National Broadband Network plans and the potential impact on existing telecommunications carriers. Some service providers have reportedly slowed down their investments in copper based ADSL infrastructure which may become obsolete if the NBN is implemented using FTTP technology as expected. However BigAir is in a unique position as an independent fixed wireless infrastructure owner and its continued investment and aggressive rollout of its network is less likely to be impacted by any new proposed fixed wire infrastructure.

Some recent analyst reports, such as the recent Goldman Sachs JBWere report, have predicted a very long lead time for the NBN. They are predicting that the NBN will not connect 90% of Australian homes to fibre until 2025. Even if the network construction proceeds much faster than many experts have forecasted this could create more opportunities for Companies such as BigAir as most businesses and government would still need a backup and disaster recovery solution to supplement services delivered over a new monopoly fixed wire network.

Today most enterprise customers buy services from multiple services providers operating physically separate networks but in the future, if the NBN were to be implemented in its current form, there will for the most part only be a single network infrastructure owner and multiple service providers buying wholesale access in order to deliver their services. BigAir has experienced increased uptake in its own DR and backup solutions already and believes that this could put the company in a unique competitive position as one of the very few alternative infrastructure based service providers.

BigAir has also experienced its best ever July sales result last month. With strong sales growth expected from its fixed wireless services across its steadily increasing network footprint the Company expects to improve its earnings further in the new financial year.

About BigAir Group Limited

BigAir owns and operates Australia's largest metropolitan fixed WiMAX* broadband network.

The Australian business market comprises nearly one million businesses and BigAir's network provides near blanket coverage across its six largest cities Sydney, Melbourne, Brisbane, Perth, Adelaide and Gold Coast. BigAir sells broadband and data services directly to business customers and also partners with other IT service companies who have existing relationships with business customers in order to deliver BigAir's high speed, cost effective WiMAX* broadband solutions.

BigAir's competitive advantage includes its state-of-the-art WiMAX* network which allows it to install business-grade symmetric broadband services at speeds up to 1000Mbps and distances up to 30km from its base stations with installation taking just a few hours. Most of BigAir's competitor's rely on access to Telstra's copper network which can takes weeks to install a service and does not deliver fast symmetric speeds. Competing legacy wireless networks such as the 3G mobile phone networks are also not nearly fast enough to meet the demands of business Internet users in an office environment.

*802.16-2004 compliant or 802.16d; WiMAX™, and WiMAX Forum™ are trademarks of the WiMAX Forum

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