

4 March 2010

Mr Greg Seeto
Adviser, Issuers (Brisbane)
Australian Stock Exchange Limited
Level 6
Riverside Centre
123 Eagle Street
Brisbane QLD 4000

BY EMAIL: greg.seeto@asx.com.au

Dear Sir,

RE: APPENDIX 4C QUERY FOR THE MONTH ENDED 31 January 2010

We refer to the letter dated 1 March 2010 from Mr Greg Seeto. Set out below is our response to each of the questions listed in the above-mentioned letter:

1. As announced to the market on 10 Feb 2010, Byte Power Group Limited has entered into a Heads of Agreement to acquire 60 kiosks located in Chongqing City, China. Legal process is now in progress and upon completion the Group will be able to achieve the following:
 - Immediately have 60 additional kiosks on the ground which enable the Company to negotiate with advertisers to generate increased revenue
 - A new management team headed up by an experienced general manager in Chongqing to expand the business
 - Further underpins the Company's efforts to complete a major capital raising for the e-kiosk project as well as generate working capital

The continuation of the Company's capital raising activities as well as shareholder support mentioned in the announcement on 2 March, 2010 will address any negative cash flows in the short to medium term.

2. Cash expenditure for subsequent months is expected to be higher than the cash expenditures incurred during the month of January 2010 due to the costs associated with the expansion plan we intend to put in place with the new management in Chongqing, China. The benefits of the expansion plan will be evident in the months to come once the Company is able to roll-out operating e-kiosks on a much larger scale as well as generate additional income stream once critical mass is reached.

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Brisbane, Melbourne
Singapore, Hong Kong
Chongqing (China)



The Company continues to explore the possibility of securing an overdraft or working capital facility on appropriate commercial terms to assist in accelerating the roll-out of its e-kiosks in China and at the same time address any negative cashflow.

3. The actual revenue and expenses of the Company for the month of January 2010 is in line with management expectations.
4. Not applicable.
5. To date there are no significant changes to the business objectives and strategies as outlined in the half-yearly report for the period ending 31 December 2009 released to the market on 1 March 2010. The Group will be focusing its effort in expanding the e-Kiosk project in Chongqing, China, whilst continue to develop the IT trading business and the UPS business within Australia.
6. The Company confirms that it is in compliance with the ASX Listing Rules and in particular LR 3.1.
7. In the Company's opinion, it is in compliance with ASX LR 12.2 and its financial condition is adequate to warrant continued quotation of its securities and its continued listing.

Yours faithfully,



Ethel Lau
Company Secretary
Byte Power Group Limited



1 March 2010

Ms Ethel Lau
Company Secretary
Byte Power Group Limited
Maja Place
1/75 Longland Street
NEWSTEAD QLD 4006

By email: elau@bytepowergroup.com

Dear Ms Lau

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ABN 26 087 780 489
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Brisbane QLD 4000

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Brisbane QLD 4001

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Byte Power Group Limited (the "Company")

I refer to the Company's Appendix 4C for the month ending January 2010 ("Appendix 4C") released on Monday, 1 March 2010.

ASX notes that the Company has reported the following.

1. Receipts from customers of \$27,000.
2. Net operating cash flows for the month of (\$19,000).
3. Cash at end of month of \$14,000.
4. Nil financing facilities available to be drawn upon.

In light of the information contained in the Appendix 4C please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the month ended 31 January 2010, as indicated by the Appendix 4C, the Company may not have sufficient cash to fund its activities after a period of less than one month has elapsed. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Appendix 4C and if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?
3. To what extent have the Company's actual revenues and expenses in the month, as reported in the Appendix 4C, matched the Company's anticipated revenues and expenses for that reporting period?

Australian Securities Exchange

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Australian Clearing House
SFE Clearing Corporation

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4. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
5. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives as set out in its annual report for the period ending 30 June 2009 (the "Annual Report")? The Company's business objectives and strategies may have changed since the date of the Annual Report. If so, this should be taken into account in your response.
6. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
7. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

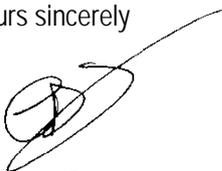
This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to Gregory Seeto via **email at greg.seeto@asx.com.au** or by **facsimile number (07) 3832 4114**. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, not later than **8.30am (Brisbane time) on Thursday, 4 March 2010**.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries in relation to the above, please let me know.

Yours sincerely



Gregory Seeto
Adviser, Issuers (Brisbane)