Rule 4.3A

Appendix 4E

Preliminary final report
Year ended on 30 June 2010

Item 1

Name of entity

GOCONNECT LIMITED

ACN or equivalent company reference	Current reporting period	Previous corresponding period
089 240 353	30 June 2010	30 June 2009

Item 2

RESULTS FOR ANNOUNCEMENT TO THE MARKET

2.1 Revenues from continuing operations	DOWN	30.71 %	to	276,238
2.2 Loss from continuing operations after tax attributable to members	DOWN	2.89 %	to	(1,572,660)
2.3 Net loss for the period attributable to members	DOWN	2.89 %	to	(1,572,660)

2.4 Dividends distributions

No dividends are proposed or paid during the reporting period and the previous corresponding period.

For explanation relating to item 2.1; 2.2 and 2.3 please see **item 12**

Item 3 – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Current period $A	Previous corresponding period - $A
Revenue from continuing operations	*2*	**276,238**	**398,689**
Virtual Internet Service network operating costs		(61,929)	(68,605)
Marketing expenses		(28,699)	(26,417)
Employee benefits expenses		(1,214,984)	(1,542,830)
Depreciation and amortisation expenses	*3*	(17,475)	(25,600)
Finance costs	*3*	(140,891)	(89,056)
Research and development expenses	*3*	(1,769)	(2,153)
Repair and maintenance expense		(902)	(6,105)
Office rent expense	*3*	(91,250)	(88,589)
Other expenses from continuing operations		(290,999)	(168,728)
Share of net loss of associates	*11*	-	-
Loss before income tax		**(1,572,660)**	**(1,619,394)**
Income tax (expense)	*5*	-	-
Loss for the year		**(1,572,660)**	**(1,619,394)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(1,572,660)**	**(1,619,394)**
Loss attributable to:			
Member of the parent entity		**(1,572,660)**	**(1,619,394)**
Non-controlling interest		**-**	**-**
Total comprehensive loss attributable to:			
Member of the parent entity		**(1,572,660)**	**(1,619,394)**
Non-controlling interest		**-**	**-**
Loss per share			
From continuing and discontinued operations		**Cents**	**Cents**
Basic loss per share	*6*	(0.3)	(0.4)
Diluted loss per share	*6*	(0.3)	(0.4)
From continuing operations:			
Basic loss per share	*6*	(0.3)	(0.4)
Diluted loss per share	*6*	(0.3)	(0.4)
From discontinued operations			
Basic earnings/(loss) per share		-	-

The notes to this statement are contained in the accompanying Attachment.

Item 4 – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Current period $A	Previous corresponding period - $A
ASSETS			
Current assets			
Cash and cash equivalents	*7*	11,230	4,091
Trade and other receivables	*8*	90,277	158,546
Other current assets	*9*	4,975,094	1,513
Total current assets		**5,076,601**	**164,150**
Non-current assets			
Plant and equipment	*10*	15,309	28,943
Total non-current assets		**15,309**	**28,943**
Total assets		**5,091,910**	**193,093**
Current liabilities			
Trade and other payables	*12*	1,789,731	1,580,742
Borrowings	*13*	100,000	100,000
Short-term provisions	*14*	64,842	78,742
Total current liabilities		**1,954,573**	**1,759,484**
Non-current liabilities			
Borrowings	*13*	1,793,510	1,100,208
Long-term provisions	*14*	6,853	2,568
Total non-current liabilities		**1,800,363**	**1,102,776**
Total liabilities		**3,754,936**	**2,862,260**
Net assets (asset deficiency)		**1,336,974**	**(2,669,167)**
Equity			
Issued capital	*15(A)*	38,858,827	33,295,012
Option reserves	*15(B)*	14,986	230,143
Accumulated loss	*15©*	(37,536,839)	(36,194,322)
Total equity (capital deficiency)		**1,336,974**	**(2,669,167)**

The notes to this statement are contained in the accompanying Attachment.

Item 5 – CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Current period $A	Previous corresponding period - $A
Cash flows from operating activities			
Receipts from customers		45,463	334,280
R&D Tax Offset Rebate		215,321	256,802
Payments to suppliers and employees		(1,442,277)	(2,063,722)
Interest received		1,956	2,543
Finance costs		(37,610)	(10,813)
Net cash used in operating activities	***16(B)***	**(1,217,147)**	**(1,480,910)**
Cash flows from investing activities			
Loans to other entities		(55,073)	-
Payment for property, plant and equipment		(3,841)	(2,059)
Net cash used in investing activities		**(58.914)**	**(2,059)**
Cash flows from financing activities			
Proceeds from issue of shares		604,759	1,036,800
Proceeds from borrowings		678,441	307,991
Net cash provided by financing activities		**1,283,200**	**1,344,791**
Net increase (decrease) in cash held		7,139	(138,178)
Cash at beginning of financial year		4,091	142,269
Cash at end of financial year	***16(A)*** *7*	**11,230**	**4,091**

The notes to this statement are contained in the accompanying Attachment.

Item 6
Details of individual and total dividends or distributions and dividend or distribution payments – **N/A**

Item 7
Details of any dividend or distribution reinvestment plans – **N/A**

Item 8
A statement of retained earnings showing movements – **See Note 15(C) in the accompanying Attachment**

Item 9
NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share	0.30 cents	(0.54 cents)

Item 10
Details of entities over which control has been gained or lost during the period – **N/A**

Item 11
Details of associates and joint venture entities – **See Note 11 in the accompanying Attachment**

Item 12
Other significant information

The consolidated operating loss after income tax attributable to members of the Parent Entity decreased by 2.89% to $1,572,660 for the financial year under review, compared to a loss of $1,619,394 in the previous year.

The reduction in Operating loss was mainly attributable to:

- Savings of $328,000 in Employee Benefits expenses with a reduction of 21 per cent of the number of full time staff during the period, and

On 1 February 2010, GoConnect signed a Memorandum of Understanding (MOU) with Cashmere Media Pty Ltd (CMM) and PLW Entertainment Ltd (PLW) of merging the operation of the three businesses, the three companies formally entered into a Merger Agreement on 19 March 2010. The merger was approved by shareholders at the extraordinary general meeting (EGM) on 16 June 2010. On 17 June 2010, GoConnect Limited issued 248,680,000 shares at $0.02 per share (Total: $4,973,600) to shareholders of PLW and CMM for consideration of the acquisition of PLW and assets and licences relating to undercover.com.au from CMM. The acquisition becomes effective on 1 July 2010. The combined businesses will expand to create a new platform bringing its various media, technology and music operations together to take advantage of the emerging global IPTV (Internet Protocol TV) market with the launch of a unique and exciting international music channel, uctv.fm. This channel goes live on Sony Internet TV Platform in July 2010. The channel features exclusive content produced by GoConnect's various music businesses. The launch of uctv.fm means that GoConnect is also the only music company that owns and controls its own TV media channel and accordingly has the advantage to provide media support and add value to artists under its management. It is expected that Australia will only be the first country to receive uctv.fm with the rest of the world to follow within the next 12 months.

Since the merger, GoConnect has become Australia's largest independent music company. Australian girl group Trinity, which is under the management and recording label of PLW, have entered into a global partnership with Jason Derulo and his management team head by Frank Harris.

GoConnect is now able to consolidate technology, intellectual properties including artists' right, and substantial copyright, sales, marketing, promotions and existing entertainment industry relationships within the three operations and maximize its collective strengths to expand its audience and revenues through uctv.fm.

uctv.fm will feature original content produced by CMM, PLW and GoConnect for licensing exploitation into global markets.

The consolidation will expand the existing online audience and benefit the advertising industry with the development of new and existing entertainment products.

Item 13
For foreign entities, which set of accounting standards is used in compiling the report – **N/A**

Item 14
A commentary on the results for the period – **See Item 12**

14.1 *The earnings per security and the nature of any dilution aspects* - **See Note 6 in the accompanying Attachment**

14.2 *Returns to shareholders including distributions and buy backs* – **N/A**

14.3 *Significant features of operating performance* - **See Item 12**

14.4 *Segment information* - **See Note 17 in the accompanying Attachment**

14.5 *A discussion of trends in performance* - **See Item 12**

14.6 *Any other factors which have affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified* - **See Item 12**

Item 15
Audit status of the accounts

This report is based on accounts which are in the process of being audited.

31 August 2010

Tony Ng
Company Secretary

Date

NOTES TO THE STATEMENTS OF COMPREHENSIVE INCOME, FINANCIAL POSITION AND CASH FLOWS

1. BASIS OF ACCOUNTS PREPARATION

The consolidated financial statements have been prepared on the basis of historical costs in accordance with applicable Accounting Standards. Accounting policies adopted are consistent with those of the 30 June 2009 financial statements except as stated below:

Adoption of new and revised accounting standards
During the current year the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.
The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these standards and interpretations has had on the financial statements of GoConnect Limited.

AASB 8: Operating Segments
In February 2007 the Australian Accounting Standards Board issued AASB 8 which replaced AASB 114: Segment Reporting. As a result, some of the required operating segment disclosures have changed with the addition of a possible impact on the impairment testing of goodwill allocated to the cash generating units (CGUs) of the entity. Below is an overview of the key changes and the impact on the Group's financial statements.
Measurement impact
Identification and measurement of segments — AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments. Under AASB 114, segments were identified by business and geographical areas, and only segments deriving revenue from external sources were considered.

The adoption of the 'management approach' to segment reporting has resulted in the identification of reportable segments largely consistent with the prior year.
Under AASB 8, operating segments are determined based on management reports using the 'management approach', whereas under AASB 114 financial results of such segments were recognised and measured in accordance with Australian Accounting Standards. This has resulted in changes to the presentation of segment results, with inter-segment sales and expenses such as depreciation and impairment now being reported for each segment rather than in aggregate for total group operations, as this is how they are reviewed by the chief operating decision maker.

AASB 101: Presentation of Financial Statements

In September 2007 the Australian Accounting Standards Board revised AASB 101 and as a result, there have been changes to the presentation and disclosure of certain information within the financial statements. Below is an overview of the key changes and the impact on the Group's financial statements.

Disclosure impact

Terminology changes — the revised version of AASB 101 contains a number of terminology changes, including the amendment of the names of the primary financial statements.

Reporting changes in equity — the revised AASB 101 requires all changes in equity arising from transactions with owners, in their capacity as owners, to be presented separately from non-owner changes in equity. Owner changes in equity are to be presented in the statement of changes in equity, with non-owner changes in equity presented in the statement of comprehensive income. The previous version of AASB 101 required that owner changes in equity and other comprehensive income be presented in the statement of changes in equity.

Statement of comprehensive income — the revised AASB 101 requires all income and expenses to be presented in either one statement, the statement of comprehensive income, or two statements, a separate income statement and a statement of comprehensive income. The previous version of AASB 101 required only the presentation of a single income statement.

The Group's financial statements now contain a statement of comprehensive income.

Other comprehensive income — The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the statement of comprehensive income. Entities are required to disclose the income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

	Current period **$A**	**Previous corresponding period - $A**
2. REVENUE		
REVENUE FROM OPERATING ACTIVITIES		
ISP subscriptions	26,044	42,034
Media subscriptions	2,242	7,059
Advertising Sale	15,709	16,404
Advertising commissions	14,966	71,943
Other services	-	1,904
R&D Tax Offset Rebate	215,321	256,802
	274,282	**396,146**
REVENUE FROM OUTSIDE THE OPERATING ACTIVITIES		
Interest	1,956	2,543
TOTAL REVENUE	**276,238**	**398,689**

3. LOSS FOR THE YEAR

	Current period $A	Previous corresponding period - $A
NET GAINS AND EXPENSES		
Loss before income tax includes the following specific net expenses:		
Expenses		
Depreciation of property, plant and equipment	17,475	25,600
Rental expense relating to operating leases	91,250	88,589
Provision for employee entitlements – net	(9,614)	1,976
Bad and doubtful debt - associated companies	59,402	-
Bad and doubtful debt - others	6,829	-
Finance costs	140,891	89,056
Research and development	1,769	2,153

4. REMUNERATION OF AUDITORS

Remuneration for audit or review of the financial reports of the Parent Entity or any entity in the Consolidated Entity:		
Auditors of Parent Entity		
Parent Entity	37,879	40,747
Controlled entity	4,000	4,000
	41,879	**44,747**

5. INCOME TAX EXPENSE

(A) The prima facie tax credit on loss before income tax is reconciled to the income tax credit as follows:		
Prima facie tax credit provided on loss before income tax at 30% (2009: 30%)	(471,798)	(485,818)
Tax effect of permanent differences:		
- Share of net loss of associates using the equity method	-	-
Tax effect of timing differences:		
- Deferred tax asset not brought to account	471,798	485,818
Income tax expense attributable to consolidated entity	-	-
(B) The Directors estimate that the potential deferred tax asset at balance date in respect of tax losses not brought to account is:	8,435,983	7,964,185

	Current period Cents	Previous corresponding period - Cents
6. LOSS PER SHARE		
Basic loss per share	(0.3)	(0.4)
Diluted loss per share	(0.3)	(0.4)

	Current period Number	Previous corresponding period - Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	508,566,401	455,684,840

As at 30 June 2010: 20,000,000 (2009: 1,200,000) options and 5,000,000 (2009 2,500,000) convertible notes were on issue. None of these securities are considered dilutive.

	Current period $A	Previous corresponding period - $A
7. CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	**11,230**	**4,091**

The weighted effective rate on cash at bank was 0.15% (2009 0.86%)

8. TRADE AND OTHER RECEIVABLES

Trade receivables	6,824	19,594
Other receivables	83,453	5,375
Amounts receivable from associated companies	-	51,872
Amounts receivable from related entities	-	81,705
	90,277	**158,546**

Included in other receivables are a loan receivable from PLW Entertainment Ltd of $28,435(2009: $nil) and a loan receivable from Cashmere Media Pty Ltd of $26,638 (2009: $nil). The Company acquired PLW Entertainment Ltd and assets and licences relating to undercover.com.au from Cashmere Media Pty Ltd effective on 1 July 2010.

9. OTHER CURRENT ASSETS

Prepayments for business acquisition	4,973,600	-
Prepayments	1,494	1,513
	4,975,094	**1,513**

	Current period $A	Previous corresponding period - $A
10. PLANT AND EQUIPMENT		
Office and computer equipment – at cost	1,577,634	1,573,794
Less: Accumulated depreciation	(1,562,325)	(1,544,881)
	15,309	**28,913**
Furniture and fittings – at cost	206,690	206,690
Less: Accumulated depreciation	(206,690)	(206,660)
	-	**30**
Total property, plant and equipment, at net book value	**15,309**	**28,943**

Reconciliations for 2010	**Office & Computer Equipment $A**	**Furniture & Fittings $A**	**Total $A**
Carrying amount at beginning of year	28,913	30	28,943
Additions	3,841	-	3,841
Disposals	-	-	-
Depreciation	(17,445)	(30)	(17,475)
Carrying amount at end of year	**15,309**	**-**	**15,309**

Reconciliations for 2009			
Carrying amount at beginning of year	54,224	270	54,494
Additions	2,059	-	2,059
Disposals	(2,011)	-	(2,011)
Depreciation	(25,359)	(240)	(25,599)
Carrying amount at end of year	**28,913**	**30**	**28,943**

	Current period $A	Previous corresponding period - $A
11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		
Investment in an associate	-	-

Investment in an associate is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the holding entity. Information relating to the associate is set out below.

Name of company	Principal activity	Ownership interest		Consolidated carrying amount		Holding entity carrying amount	
		2010	2009 %	2010 A$	2009 A$	2010 A$	2009 A$
Pharmasafe Limited	Sale of Chinese herbal remedy "Liver Bioguard"	40 % Fully paid ordinary shares	40 % Fully paid ordinary shares	-	-	-	-

	Current period $A	Previous corresponding period - $A
Movements in carrying amount of investment in an associate		
Carrying amount at the beginning of the financial year	-	-
New investment during the year	-	-
Share of loss after income tax	-	-
Carrying amount at the end of the financial year	**-**	**-**
Results attributable to associates		
Loss before related income tax	(9,960)	(199)
Income tax expense	-	-
Loss after related income tax	**(9,960)**	**(199)**
Retained loss attributable to associates at the beginning of the financial year	**(14,976)**	**(14,777)**
Retained loss attributable to associates at the end of the financial year	**(24,936)**	**(14,976)**
Reserve attributable to associates	-	-
Share of associates' contingent liabilities	-	-
Share of associates' expenditure commitments	-	-
Current assets of associates	1,860	17,709
Non-current assets of associates	-	-
Total assets of associates	**1,860**	**17,709**
Current liabilities of associates		
Non-current liabilities of associates	64,099	55,049
Total liabilities of associates	**64,099**	**55,049**
Net liabilities of associates	**(62,239)**	**(37,340)**

	Current period $A	Previous corresponding period - $A
12. TRADE AND OTHER PAYABLES		
Unsecured liabilities		
Trade payables to:		
- Related parties	414,182	329,194
- Key-management personnel related entity	485,857	-
Employee benefits	77,978	109,850
Trade payables	62,947	60,195
Other payables & accrued expenses	748,767	1,081,503
	1,789,731	**1,580,742**

At 30 April 2010, the then ultimate Australian parent entity of the Company, Sino Strategic International Limited (SSI), reduced its controlling interest in the Company. At 30 June 2010, 23.92% (2009: 48.33%) remaining interest in the Company was held by SSI, the Company becomes an associated company of SSI.

	Current period $A	Previous corresponding period - $A
13. BORROWINGS		
CURRENT		
Unsecured liabilities		
Convertible notes	**100,000**	**100,000**
NON-CURRENT		
Unsecured liabilities		
Interest bearing loan from:		
- Related entities	1,793,510	1,100,208
	1,793,510	**1,100,208**

The Company has a continuing credit facility with a limit of A$2,100,000 (2009: A$1,300,000) from its related entities (Sino Strategic International Limited) and (Sino Investment Services Pty Ltd).

The amount drawn under this facility as at 30 June 2010 was A$1,793,510 (2009: A$1,100,208).

The interest rate as at 30 June 2010 was 6.80% (2009: 6.55%).

14. PROVISIONS

	Current period $A	Previous corresponding period - $A
Provision for employee long services leave entitlements		
Current	64,842	78,742
Non-Current	6,853	2,568
	71,695	**81,310**

	Current period $A	Previous corresponding period - $A
15. (A) CONTRIBUTED EQUITY		
Issued and paid up capital		
766,042,237 (2009: 491,362,237) ordinary shares fully paid	**39,853,547**	**33,295,012**

Movements in ordinary share capital

Date	Details	Number of shares	Issue price	A$
1 July 2008	Opening balance	443,737,237		32,255,718
5 August 2008	Share issue	7,500,000	A$0.040	300,000
15 May 2009	Share issue	40,125,000	A$0.020	802,500
	Less: Transaction costs arising on share issues			(63,206)
30 June 2009	**Balance**	**491,362,237**		**33,295,012**
11 September 2009	Share issue	6,000,000	A$0.020	120,000
10 May 2010	Share issue	20,000,000	A$0.025	500,000
17 June 2010	Share issue	248,680,000	A$0.020	4,973,600
	Less: Transaction costs arising on share issues			(29,785)
30 June 2010	**Balance**	**766,042,237**		**38,858,827**

(B) OPTION RESERVES	Current period $A	Previous corresponding period - $A
Option reserves at the beginning of the year	230,143	230,143
Option expired	(230,143)	-
Share based remuneration	14,986	-
Option reserves at the end of the year	**14,986**	**230,143**

(C) ACCUMULATED LOSSES	**Current period $A**	**Previous corresponding period - $A**
Accumulated losses at the beginning of the year	(36,194,322)	(34,574,928)
Option expired	230,143	-
Net loss attributable to members of GoConnect Ltd	(1,572,660)	(1,619,394)
Accumulated losses at the end of the year	**(37,536,839)**	**(36,194,322)**

16. NOTES TO THE STATEMENTS OF CASH FLOWS

(A) RECONCILIATION OF CASH

For the purpose of the statements of cash flows, cash includes cash at bank and on hand, and deposits with banks or financial institutions, net of bank overdrafts. Cash at the end of the reporting period is shown in the statement of financial position as:

	Current period $A	**Previous corresponding period - $A**
Cash at bank and on hand	**11,230**	**4,091**
(B) RECONCILIATION OF CASH FLOWS FROM OPERATIONS WITH OPERATING LOSS AFTER INCOME TAX		
Operating loss after income tax	(1,572,660)	(1,619,394)
Non-cash flows in operating loss		
Depreciation	17,475	25,600
Bad and doubtful debt	66,231	-
Impairment of property, plant and equipment	-	2,011
Share based remuneration	14,986	-
Changes in operating assets and liabilities, net of the effects of purchase and disposal of controlled entities		
(Increase) / decrease in other operating assets	19	1,678
(Increase) / decrease in operating receivables	(15,811)	(48,505)
Increase / (decrease) in operating payables	282,227	155,724
Increase / (decrease) in provisions	(9,614)	1,976
Net cash used in operating activities	**(1,217,147)**	**(1,480,910)**

17. OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the Group'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 following:

— the products sold and/or services provided by the segment;

— the type or class of customer for the products or services; and

— the distribution method.

Types of products and services by segment

i ***Media and Advertising***

This segment is involved in exploring avenues for the sale of technical services. Through the development of a proprietary technology GoTrek, the Group provides media contents and generating advertising revenue form its existing programs..

ii. ***Internet Service Provider (ISP)***

The Group has allocated resources to facilitate the provision of ISP services to the public.

Basis of accounting for purposes of reporting by operating segments

a. Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being 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.

b. Inter-segment transactions

There were no inter-segment transactions between the segments.

c. Segment assets

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

d. Segment liabilities

Liabilities are allocated to segments where there is a 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 Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

e. Unallocated items

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

— Available-for-sale investments
— Impairment of assets and other non-recurring items of revenue or expense
— R&D expenses and related tax offset rebate
— Impairment of assets and other non-recurring items of revenue or expense
— Corporate expenses
— Interest income and expenses
— Other financial liabilities

f. Comparative information

This is the first reporting period in which AASB 8 has been adopted. Comparative information has been restated to conform to the requirements of this standard.

SEGMENT PERFORMANCE	**ISP** **$A**	**Media and Advertising** **$A**	**Total** **$A**
2010			
Revenue from external customers	28,285	30,675	58,960
Segment net loss before tax	(186,230)	(548,044)	(734,274)
Segment asset at 30 June 2010	2,020	13,326	15,346
Segment liabilities at 30 June 2010	57,669	234,676	292,345
2009			
Revenue from external customers	49,092	88,347	137,439
Segment net loss before tax	(201,509)	(602,844)	(804,353)
Segment asset at 30 June 2009	3,617	31,618	35,235
Segment liabilities at 30 June 2009	35,456	143,764	179,220

Reconciliation of segment result to group net loss before tax	**Current period** **$A**	**Previous corresponding period - $A**
Total loss for segments	(734,274)	(804,353)
R&D Tax Offset Rebate	215,321	256,802
Interest received	1,956	2,543
Unallocated expense	(1,055,663)	(1,074,386)
Net loss before tax	**(1,572,660)**	**(1,619,394)**

Reconciliation of segment asset	**Current period $A**	**Previous corresponding period - $A**
Total segments assets	15,346	35,235
Unallocated assets		
- Prepayment for business acquisition	4,973,600	-
- Others	102,964	157,858
Total assets	**5,091,910**	**193,093**

Reconciliation of segment liabilities	**Current period $A**	**Previous corresponding period - $A**
Total segments liabilities	292,345	179,220
Unallocated liabilities		
- Convertible notes	100,000	100,000
- Interest bearing loan from related entities	1,793,510	1,100,208
- Other payables	1,569,081	1,482,832
Total liabilities	**3,754,936**	**2,862,260**

GEOGRAPHIC SEGMENT

The Group's operations are based in Australia.