



**Greenearth
Energy Ltd.**

A.C.N 120 710 625

FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

This half-year financial report is to be read in conjunction with the financial report for the year ended 30 June 2009



*Hamessing the heat
beneath our feet*

GREENEARTH ENERGY LIMITED
FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2009

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GREENEARTH ENERGY LIMITED

DIRECTORS' REPORT

The Directors present their report together with the condensed financial report of Greenearth Energy Limited and the entities it controlled, for the half-year ended 31 December 2009 and independent auditor's report thereon. This financial report has been prepared in accordance with Australian equivalents of International Financial Reporting Standards.

DIRECTORS NAMES

The directors in office since the start of the financial period to the date of this report (unless otherwise stated) are:

	<u>Period of Directorship</u>
Simon R. Molesworth	Director since 2007
Mark Miller	Managing Director since 3 September 2008
Robert J. Annells	Director since 2006
John T. Kopcheff	Director since 2006
Robert L. King	Director since 2006

REVIEW OF OPERATIONS

The consolidated loss of the group for the half-year after providing for income tax amounted to \$1,269,743 (2008: \$691,108).

CORPORATE DEVELOPMENTS

Over the past six months, Greenearth Energy Limited confirmed strategic appointments with Sinclair Knight Merz (SKM) and KPMG Corporate Finance (Aust) Pty Ltd (KPMG) as technical and corporate/commercial advisors to assist the company's successful development of its' Victorian geothermal permit areas; the Greater Geelong region, onshore Gippsland and the Latrobe Valley.

Most work focussed on the region northwest of Anglesea in the Wensleydale-Gherang area in GEP 10. Work conducted by Greenearth Energy Limited and consultants SKM on further understanding a specific area of our Inferred Resource resulted in the development of the company's Geelong Geothermal Power Project (GGPP) strategy underpinned by an updated inferred resource estimate for the GGPP and the securing of the 2,000 HP Geothermal Drilling Rig 828 from Weatherford Drilling International Australia Pty Ltd.

This work enhanced previous information and was incorporated in Greenearth Energy Limited's application, in early August, to the Federal Government's second round Geothermal Drilling Program (GDP) for \$7M for Proof-of-Concept (POC) drilling north of the township of Anglesea in the Wensleydale-Gherang area in Victoria. This Proof of Concept drilling represents Stage 1 of the Geelong Geothermal Power Project.

In late August Greenearth Energy Limited announced further details relating to its planned drilling of Stage 1 of the GGPP and an application was made for \$20M to the Victorian Government's Energy Technology Innovation Strategy (ETIS) program for a 12 MW_e geothermal demonstration energy plant utilising the Hot Sedimentary Aquifer (HSA) resource in the area. The demonstration plant development represents Stage 2 of the GGPP.

The GGPP is planned to be fully commercialised using a phased development approach by means of deployment of modular Organic Rankine Cycle (ORC) plant technology, with successful commercialisation being able to produce up to 140MW_e and have the potential to provide substantial CO₂ displacement. This proposed commercialisation phase represents Stage 3 of the Geelong Geothermal Power Project.

Early November, the company was advised that its' application for funding under the Commonwealth Governments Renewable Energy Demonstration Program (REDP) had not been successful. The Victorian Government, under the Energy Technology Innovation Strategy (ETIS) program, awarded Greenearth Energy Limited \$25M in early December. This money was granted to assist the first two stages of the company's Geelong Geothermal Power Project. The Stage 1, Proof-of-Concept stage was awarded \$5M to assist to drill a deep geothermal production well, an injection well plus flow testing. Upon successful completion of Stage 1, an additional \$20M was awarded towards the development of the Stage 2, 12MW_e geothermal energy demonstration plant.

A second announcement on December 14 advised Greenearth Energy Limited's Geelong Geothermal Power Project had been awarded \$7M in Australian Government funding from round two of the Geothermal Drilling Program (GDP) for the project's Stage 1 Proof-of-Concept, further enhancing the project's ability to commence.

GREENEARTH ENERGY LIMITED

DIRECTORS' REPORT (CONTINUED)

Prior to the release of grant monies, a funding agreement for each separate grant must be negotiated and executed. The agreements will set out the payment milestones for the duration of the grant, project milestones and the parameters for the administration of the grants.

In a unique position of being a recipient of both Australian and Victorian Government funding for the company's GGPP Stage 1 Proof-of-Concept stage, totalling \$12M, Greenearth Energy Limited is in a position to achieve its' long term strategic objectives of becoming a sustainable energy producer and commence operational planning and stakeholder and community engagement. Greenearth Energy Limited has commenced the process to raise the remainder of the necessary project capital, while also undertaking the preliminary planning for Stage I, and concerted stakeholder and community engagement programs.

The development of the Geelong Geothermal Power Project will involve addressing a number of key issues and progressing the project through a number of stages including:

1. Regulatory – obtaining the necessary approvals, licences and permits
2. Technical – obtaining the most appropriate technologies, accessing and utilising the geothermal resource and electricity distribution
3. Economic and Financial – achieving economic viability and raising capital
4. Environmental and Social – minimising impacts on the environment and the community

Each stage requires a number of environmental and operational permits to be obtained. The process of obtaining these permits includes ensuring that all relevant stakeholders, including the community, are appropriately engaged and are included in the development process.

Although particular emphasis is being placed on the GGPP, Greenearth Energy Limited believes the Latrobe Valley has substantial potential to generate emissions free base-load renewable electricity from hot sedimentary aquifer geothermal resources as well as heat for industrial processes such as coal drying.

OPERATIONAL ACTIVITIES

Otway Basin- Geelong Area (GEP 10) - 100% Equity

Over the past six months, work has continued to focus on the Company's flagship project, the Geelong Geothermal Power Project (GGPP), while three government grant applications were being assessed. A number of separate updates were given in regards to each submission and a favourable decision saw the awarding of two grants to Greenearth Energy Limited. Commonwealth and State grants were awarded under the Enterprise Technology Innovation Strategy (ETIS) and Geothermal Drilling Program (GDP) to the value of \$32M. The company's REDP grant applications was not successful.

In conjunction with stakeholder and community engagement, work continues to develop the well designs from a conceptual nature to detailed specifications allowing the company to advance the regulatory and tender and processes for the related services required from Stage 1.

The company has secured drilling slots for the 2,000 HP Drilling Rig 828 from Weatherford Drilling International Australia Pty Ltd.

The proposed project location targets the hottest and thickest part of the target reservoir formation (>1,000 m thick), the top of which is located at a depth of 3,500 m to 4,000 m. With the use of directional drilling it is possible to have horizontal separation between wells in the reservoir of 1,500 m at the target depth, while minimising the surface footprint impact and associated costs of having a drilling pad for each individual well.

The drilling of the Stage 1 wells is to demonstrate the capability of producing geothermal fluid from a single production well at a temperature and flow rate suitable for geothermal power production, and reinjection of the fluid via an injection well into the same hot sedimentary geothermal reservoir. Having two wells will enable long term flow testing to fully characterise the resource. Indications of permeability from offset wells suggest that such a couplet may deliver sufficient fluid to achieve electricity generation of 4 to 6 MW_e nett.

If sufficient flow of geothermal fluids is achieved in order to deliver gross power generation of 5 MW_e or more per production well, then this concentrated location of production and injection wells would suit the deployment of typical binary plant modules that are now available in the 10 to 15 MW_e range.

GREENEARTH ENERGY LIMITED DIRECTORS' REPORT (CONTINUED)

Gippsland Basin (GEP 12 and 13) - 100% Equity

Magnetotelluric (MT) Resistivity Survey.

Planning continues for a magnetotelluric (MT) geophysical survey in the Latrobe Valley area. The magnetotelluric method involves the measurement of naturally occurring magnetic and electric fields that propagate through the earth. Measurement of such fields allows for the resistivity structure (in 3D) of the earth to be deduced. Variations in resistivity may allow for the mapping of more resistive basement rocks beneath a thick, less resistive sedimentary pile as occurs in the Latrobe Valley/Gippsland Basin. MT surveys may also identify zones of reduced resistivity consistent with enhanced temperatures and water saturated aquifers associated with geothermal systems. The company plans to conduct the MT survey in second half of 2010.

The company is currently working through the various regulatory processes required to undertake such work.

Basement Modelling Study

Greenearth Energy Limited, jointly with Lakes Oil N.L, commenced a basement interpretation study of the Gippsland area. This work, undertaken by geological consultants 3D Geo Pty Ltd, produced an interpretation from existing seismic data throughout the onshore Gippsland basin, using key onshore and offshore wells that penetrate basement and basement outcrops to constrain the depth interpretation. Further constraint was provided through the inversion of potential field data (magnetic / gravity). A correlation with structural trends observed offshore was undertaken, and a basement interpretation map produced.

Micro Earthquake (MEQ) Monitoring – Pilot Trial

The micro-earthquake pilot study undertaken at the Loy Yang - 1 well has been completed. The study involved the installation of a seismometer (sonde) at a depth of 1350 m down the well and a second sonde at the surface to ascertain the ability of the sensors to detect micro earthquake activity within the Loy Yang and greater Latrobe Valley area. The ability to detect such seismic activity may see the deployment of a number of similar systems across the region, which would allow for triangulation techniques to constrain the location of seismic events. This may potentially enable the identification and mapping of active faults in the area which may have implications for geothermal activity and exploration.

The report is yet to be fully assessed but initial indications are that the techniques has successfully detected a number of localized low intensity (<-1 Richter scale) events. Further assessment of the results will be undertaken and the company will investigate the merit in expanding the technology across the region.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the consolidated group/company's state of affairs during the financial year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307c of the *Corporations Act 2001* in relation to the review for the half-year is provided with this report.

Signed in accordance with a resolution of the directors



Mark Miller
Managing Director

Dated this 5th day of March 2010

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Greenerth Energy Limited

In relation to the half-year independent review for the six months ended 31 December 2009, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*.
- (ii) No contraventions of any applicable code of professional conduct.



M W PRINGLE
Partner
5 March 2010



PITCHER PARTNERS
Melbourne

GREENEARTH ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Half-year	
	2009	2008
	\$	\$
Revenue		
Other income	118,630	325,971
	<hr/>	<hr/>
Less: Expenses		
Employee benefits expenses	(333,625)	(280,994)
Depreciation expense	(27,751)	(26,277)
Finance costs	(1,130)	(941)
Accounting and audit expenses	(33,135)	(18,785)
Marketing and promotion expenses	(46,446)	(38,774)
Rent and occupancy expenses	(61,299)	(59,283)
Consulting expenses	(350,422)	(199,787)
Loss on fair value of investments	(11,777)	(23,553)
Administrative expenses	(462,173)	(368,685)
	<hr/>	<hr/>
Total Expenses	(1,327,758)	(1,017,079)
Share of Associates Loss accounted for using equity method	(60,615)	-
	<hr/>	<hr/>
(Loss) before income tax	(1,269,743)	(691,108)
Income tax expense	-	-
	<hr/>	<hr/>
(Loss) from continuing operations	(1,269,743)	(691,108)
(Loss) for the half-year	(1,269,743)	(691,108)
	<hr/> <hr/>	<hr/> <hr/>
Other comprehensive Income for half-year	-	-
	<hr/>	<hr/>
Total comprehensive income for half-year	-	-
	<hr/>	<hr/>
(Loss) is attributable to Members of the parent	(1,269,743)	(691,108)
	<hr/> <hr/>	<hr/> <hr/>
Basic loss per share for continuing operations (cents per share)	(1.88)	(1.03)
Diluted loss per share for continuing operations (cents per share)	(1.88)	(1.03)

The accompanying notes form part of these financial statements.

GREENEARTH ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	31 Dec 2009 \$	30 June 2009 \$
CURRENT ASSETS		
Cash and cash equivalents	3,676,533	5,468,551
Receivables	46,415	68,168
Financial assets at fair value through profit or loss	824,310	78,510
Other financial assets	51,793	805,622
Other current assets	35,012	23,964
TOTAL CURRENT ASSETS	<u>4,634,063</u>	<u>6,444,815</u>
NON-CURRENT ASSETS		
Investment in Associate	22,694	71,536
Property, plant and equipment	138,056	163,823
Deferred exploration, evaluation and development	2,355,922	1,830,889
TOTAL NON-CURRENT ASSETS	<u>2,516,672</u>	<u>2,066,248</u>
TOTAL ASSETS	<u>7,150,735</u>	<u>8,511,063</u>
CURRENT LIABILITIES		
Trade and other payables	120,254	226,372
Provisions	49,981	34,665
TOTAL CURRENT LIABILITIES	<u>170,235</u>	<u>261,037</u>
NON-CURRENT LIABILITIES		
Provisions	22,525	22,308
TOTAL NON-CURRENT LIABILITIES	<u>22,525</u>	<u>22,308</u>
TOTAL LIABILITIES	<u>192,760</u>	<u>283,345</u>
NET ASSETS	<u>6,957,975</u>	<u>8,227,718</u>
EQUITY		
Share capital	11,366,786	11,366,786
Other reserves	545,500	545,500
Accumulated losses	(4,954,311)	(3,684,568)
TOTAL EQUITY	<u>6,957,975</u>	<u>8,227,718</u>

The accompanying notes form part of these financial statements.

GREENEARTH ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

Consolidated	Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2008	11,246,111	469,500	(1,925,011)	9,790,600
Loss for the half year	-	-	(691,108)	(691,108)
Total comprehensive income for the half-year	-	-	(691,108)	(691,108)
Transactions with owners in their capacity as owners:				
Contributions	3	-	-	3
Employee Share scheme	-	35,323	-	35,323
Total transactions with owners in their capacity as owners	3	35,323	-	35,326
Balance as at 31 December 2008	11,246,114	504,823	(2,616,119)	9,134,818
Balance as at 1 July 2009	11,366,786	545,500	(3,684,568)	8,227,718
Loss for the year	-	-	(1,269,743)	(1,269,743)
Total comprehensive income for the half-year	-	-	(1,269,743)	(1,269,743)
Transactions with owners in their capacity as owners:				
Contributions	-	-	-	-
Employee Share scheme	-	-	-	-
Transactions with owners in their capacity as owners	-	-	-	-
Balance as at 31 December 2009	11,366,786	545,500	(4,954,311)	6,957,975

The accompanying notes form part of these financial statements.

GREENEARTH ENERGY LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Half-year	
	2009	2008
	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts	45,775	49,201
Payments to suppliers and employees	(1,340,500)	(981,000)
Payment for exploration and evaluation cost	(553,369)	(322,696)
Interest received	61,807	122,246
NET CASH FLOWS USED IN OPERATING ACTIVITIES	(1,786,287)	(1,132,249)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,984)	(147,579)
Purchase of unlisted securities	-	(757,576)
Payments for bonds and deposits	(3,747)	(3,048)
Proceeds from sale of shares in listed company	-	65,987
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(5,731)	(842,216)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issues of ordinary shares	-	3
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	-	3
NET DECREASE IN CASH HELD	(1,792,018)	(1,974,462)
Add opening cash brought forward	5,468,551	8,310,446
CLOSING CASH CARRIED FORWARD	3,676,533	6,335,984

The accompanying notes form part of these financial statements.

GREENEARTH ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2009 and any public announcements made by Greenerth Energy Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

The half-year financial report was authorised for issue as at the date of the directors' report.

(a) Basis of preparation of the half-year financial report

This general purpose half year financial report has been prepared in accordance with Accounting Standard AASB 134 '*Interim Financial Reporting*' and the *Corporations Act 2001*.

The half-year financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

(b) Summary of the significant accounting policies:

The half-year consolidated financial report has been prepared using the same accounting policies as used in the annual financial report for the year ended 30 June 2009.

(c) Segment reporting

The group has applied revised AASB 8 operating segments as of 1 July 2009. Operating Segments are now reported based on internal reporting provided to the Managing Director, who is the groups' chief operating decision maker. Segment reporting on the basis required under AASB 8 has resulted in the primary segment being further segmented into Permit Acreage as opposed to total exploration segment as disclosed in Note 5.

Comparative Segment information has been restated in this half year financial report to conform to the transitional requirement of AASB 8.

NOTE 2: SUBSEQUENT EVENTS

There has been no material subsequent events since the end of the reporting period.

NOTE 3: DIVIDENDS

No dividends have been paid or provided for during the half-year.

NOTE 4: CONTINGENT LIABILITIES

There have been no changes in contingent liabilities since 30 June 2009.

GREENEARTH ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009 (CONTINUED)

NOTE 5: SEGMENT INFORMATION

(a) Description of Segments

The group has four reportable segments. The Greenearth Energy Group holds, or is interested in geothermal acreage or projects which operate in different geographical settings. These settings can be clearly identified by the country they are situated in, or if they exist within Australia, the geological basin they are contained in. A brief description of each identified segment is detailed below:

Segment 1: Otway Basin

The Otway Basin extends along the Southern Margin across Victoria and South Australia. The Basin covers an area of approximately 150,000km² of which 35% is onshore. Greenearth Energy's GEP10 is contained within the Otway Basin.

Segment 2: Gippsland Basin

The Gippsland Basin covers approximately 56,000 km² of South Eastern Victoria, of which approximately 16,000 km² lies onshore. Greenearth Energy's GEP 12 and 13 permits are located within the Basin.

Segment 3: Indonesia

Greenearth Energy Group is exploring the possibility of geothermal development projects within the country of Indonesia. Indonesia is a widely recognised geothermal province.

Segment 4: Other Projects

This segment includes other non-geothermal investments or projects, which Greenearth Energy has either invested in, or is considering in addition to general corporate expenditure.

(b) Segment Information

	Otway Basin \$	Gippsland Basin \$	Indonesia \$	Other \$	Total \$
Half Year 2009					
Segment Revenue					
Total Segment Revenue	-	-	-	45,775	45,775
Intersegment Revenue	-	-	-	-	-
Revenue from External Source	-	-	-	45,775	45,775
Segment Result					
Total Segment Result	-	-	-	(1,254,232)	(1,254,232)
Intersegment Eliminations	-	-	-	-	-
Segment Result from External Source	-	-	-	(1,254,232)	(1,254,232)
Interest Revenue					72,855
Depreciation					(27,751)
Share of Loss of Associates and Joint Ventures Accounted for by the Equity Method					(60,615)
Profit Before Income Tax					(1,269,743)

GREENEARTH ENERGY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009 (CONTINUED)

NOTE 5: SEGMENT INFORMATION (CONTINUED)

(b) Segment Information (continued)

Half Year 2008	Otway Basin \$	Gippsland Basin \$	Indonesia \$	Other \$	Total \$
Segment Revenue					
Total Segment Revenue	-	-	-	82,943	82,943
Inter Segment Revenue	-	-	-	-	-
Revenue from External Source	-	-	-	82,943	82,943
Segment Result					
Total Segment Result	-	-	-	(907,859)	(907,859)
Intersegment Eliminations	-	-	-	-	-
Segment Result from External Source	-	-	-	(907,859)	(907,859)
Interest Revenue					243,028
Depreciation					(26,277)
Share of Profit (loss) of Associates and Joint Ventures Accounted for by the Equity Method					-
Loss Before Income Tax					(691,108)

GREENEARTH ENERGY LIMITED DIRECTORS' DECLARATION

The directors declare that the financial statements and notes set out on pages 7 to 13 are in accordance with the *Corporations Act 2001*, and;

- (a) Comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and
- (b) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2009 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 there are reasonable grounds to believe that Greenearth Energy 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



Mark Miller
Managing Director
Melbourne
5 March 2010

**GREENEARTH ENERGY LIMITED
ABN 60 120 710 625
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GREENEARTH ENERGY LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Greenearth Energy Limited and controlled entities, which comprises the condensed consolidated statement of financial position as at 31 December 2009, and the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated 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.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Greenearth Energy 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 control 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 2009 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 Greenearth Energy 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*.

**GREENEARTH ENERGY LIMITED
ABN 60 120 710 625
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
GREENEARTH ENERGY LIMITED**

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 Greenearth 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 31 December 2009 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*.



M W PRINGLE
Partner



PITCHER PARTNERS
Melbourne

5 March 2010