

GROWTH PLATFORM LIMITED

A.C.N. 110 475 799

PRELIMINARY FINAL REPORT

FOR THE FULL YEAR ENDED 30 JUNE 2005

FORM: Half yearly/preliminary final report

Name of issuer

GROWTH PLATFORM LIMITED

ACN or ARBN

110 475 799

Half yearly
(tick)

No

Preliminary
final (tick)

Yes

Financial year ended ('Current
period')

30 June 2005

For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

Please note that the Company was incorporated on 12 August 2004, and as such the year ended 30 June 2005 is its first financial year. No comparables to earlier periods are therefore provided.

		\$A			
Sales (or equivalent) operating revenue		\$618,016			
Operating profit (loss) after tax		(\$339,085)			
Net profit (loss) attributable to members		(\$339,085)			
Dividends		Franking rate applicable			
Current	period	0¢	N/A	0¢	N/A
Previous corresponding period		0¢	0¢	0¢	0¢
Record date for determining entitlements to the dividend, (in the case of a trust distribution) (see item 15.2)			N/A		
Short details of any bonus or cash issue or other items(s) of importance not previously released to the market:					
N/A					

GROWTH PLATFORM LIMITED A.C.N. 110 475 799
DIRECTORS' REPORT
FOR THE FULL YEAR ENDED 30 JUNE 2005

Your directors present the following report for the financial year ended 30 June 2005

Summary of achievements:

Growth Platform is pleased to provide the company's first financial report for the group for the full year to 30 June 2005 (FY2005).

Key achievements include:

- Completion of fully subscribed capital raisings in August 2004 and April 2005, culminating with the listing of the company on the Newcastle Stock Exchange ("NSX") in April 2005;
- Current sole operation for the company is the profitable resource recovery operation operated at Wangara, Perth;
- conditional acquisition of a potential transfer station site in suburban Melbourne;
- Appointment of Christian McMahon as Director of Operations;
- As at 30 June 2005, net tangible assets of \$1.3 million+, including cash of \$1 million+;
- Strong balance sheet which can be used to leverage future growth through acquisitions and establishment of new businesses;
- More than 320 shareholders;

Review of Operations

Growth Platform Limited ("**Growth Platform**" or "**the Company**") is a public company listed on the Newcastle Stock Exchange (NSX: GPD). The Company's aim is to become a leading integrated waste management business with operations throughout Australia, with a particular focus on resource recovery/recycling.

The Company was incorporated on 12 August 2004 with the purpose of giving smaller investors the opportunity to participate in the business opportunities that it would evaluate. Up to 31 December 2004, the Company reviewed a number of business opportunities. In January 2005, it resolved to focus on the waste industry.

The Company initially acquired the business of "Spray Booth and Waste" ("SAW") from an administrator in February 2005. However the business was sold back to one of the original vendors of the business on 6 July 2005, effective 30 June 2005. The decision to sell the business was made by the Board of Growth Platform after 5 months of trading, during which time the level of competition in the core operations of the business increased markedly, and the view was formed that continued involvement in a competitive "sales based" industry did not fall within the long term strategy of the Company.

Growth Platform also acquired, in May 2005, a resource recovery contract at Wangara, Perth. The Company's wholly owned subsidiary, Austral Waste Recycling (WA) Pty Ltd ("AWR"), receives and processes the residential/household kerbside recycling collections from the Councils of the City of Wanneroo, City of Swan and City of Joondalup. There are in excess of 120,000 households within this region.

Approximately 1,500 tonnes of recyclable waste per month is received by AWR at the resource recovery facility situated in Wangara, Perth and owned by the City of Wanneroo. The waste is delivered by each Council, which picks it up directly via household kerbside collections. AWR then processes the waste through a series of baler, trammels and a limited amount of hand sorting, with a view to recovering all recyclable products for the purposes of sale.

The Company has also signed a conditional contract to acquire a property in suburban Melbourne which

may lead to the establishment of a transfer station business. Further details are provided below.

Results of Operations

The consolidated loss for the full year was \$339,085. The following is noted:

- Of this amount, a loss of \$133,759 is attributable to business operations of “Spray Booth and Waste (SAW)”, which business was sold effective on 5 July 2005 and will have limited, if any, financial impact on the year ending 30 June 2006;
- In the half year to 31 December 2005, the Company expended approximately \$90,000 on due diligence costs (legal and accounting costs) in relation to an acquisition that did not eventuate;
- The Company’s only existing business operation, AWR, has been profitable since it was established on 9 May 2005. In the 2 months to 30 June 2005, it derived revenue of \$272,131 for a net profit before tax of \$16,058.

Conditional Contract for purchase of land in Melbourne and other potential acquisitions

It is the Company’s intention to grow by acquisition and, to a lesser extent, the establishment of new businesses.

On 5 September 2005, the Company announced to the NSX that it had, via its 100% subsidiary Austral Waste (Vic) Pty Ltd (“**AWR Vic**”), signed a conditional contract to acquire a parcel of land in suburban Melbourne (“**the Property**”). For confidentiality reasons, the location of the Property cannot be disclosed at this time.

The Property comprises 3 hectares of land zoned “special use”, and is an ex-quarry site with approximately 180,000 cubic metres of airspace.

At the request of AWR Vic, the acquisition of the Property is conditional on AWR Vic being granted a permit by the requisite Council to construct and operate a waste transfer station. Pursuant to the terms of the contract, AWR Vic is provided with up to 10 months to obtain the permit (i.e. to approximately the end of June 2006), and if the permit has not been obtained by that time, either has the option to settle the purchase of the land regardless, or request an extension to the contract on terms to be mutually agreed.

The total purchase price of the land will be, inclusive of stamp duty and related costs, approximately \$2.6 million. A deposit of 5% has been paid, with a further 5% to be paid once the condition (i.e. obtaining the permit) is met. A “fee” is payable by AWR Vic to the vendor in each of the 3rd to 10th months. The fee is \$6,000 for the first 4 months and \$12,000 for the final months.

Should the permit be issued, the cost of constructing the transfer station will be approximately \$500,000, with a further \$400,000 required for working capital purposes. In the event that the permit is issued and the purchase of the land proceeds, total cash requirements are therefore expected to be in the order of \$3.5 million. It is noted that GPL currently has net cash at bank of in excess of \$1 million and that the cash burn from its existing operations is negligible. The company has also received an in principle offer for bank finance which will partially fund the purchase of the Property and plant requirements. As such, it is currently anticipated that, as a stand alone project, the Company’s capital raising requirements resulting from this purchase will be minimal.

If the purchase proceeds, and the transfer station established, it is anticipated that, when fully matured, the site will receive in excess of 100,000 cubic metres per annum of inert (construction and demolition) waste from commercial customers. Current gate fees at comparable transfer stations and landfills exceed \$25 per tonne and are increasing at a rate much greater than inflation. It is estimated that up to 80% of the waste received will be recycled in one form or another, and clean soil received will be used to rehabilitate the site, thereby arguably increasing its value.

AWR Vic’s planning consultants have advised us that there is a “reasonable likelihood” of being granted the licence within the 10 month period. Whilst there are therefore no guarantees that this will occur, the Board of GPL has resolved that the potential upside from the Property warrants the expenditure that will be incurred in applying for the licence.

Given the uncertain nature of this project, and the fact that it will be at least 12 months before the site would be operational (if at all), GPL continues to explore other acquisition opportunities that will supplement this project. GPL is aware of its continuous disclosure obligations and will provide further disclosures as and when required.

Significant changes in the state of affairs

The following significant changes in the state of affairs of the consolidated entity occurred during the financial year:

The issue, via prospectus of 3,000,000 shares at 20 cents each, raising \$600,000 (in two instalments of 5 cents and 15 cents respectively) for working capital purposes.

The issue, via prospectus, of 5,000,000 shares at 20 cents each, raising \$1,000,000 for working capital purposes.

Principal activities

The principal activities of the consolidated entity during the year have comprised waste management activities.

Significant after balance date events

On 6 July 2005, the Company's wholly owned subsidiary, Austral Waste (Vic) Pty Ltd (formerly Spray Booth and Waste (SAW) Pty Ltd, sold various assets and liabilities associated with the business operations known as "SAW". The sale was effective on and from 1 July 2005. Further details are provided in the notes to the accounts below.

On 2 September 2005 the Company's wholly owned subsidiary, Austral Waste (Vic) Pty Ltd signed a conditional contract for the purchase of a property in suburban Melbourne. Further details were provided earlier in this report.

Apart from the above no matter or circumstance has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity, in future financial years.

Likely future developments and expected results

As stated earlier, it is expected that the Company will continue to seek to expand its operations, both organically and by acquisition.

Further information regarding likely developments in the operations of the consolidated entity and the expected results of those operations in financial years subsequent to the financial year has not been included in this report because, in the opinion of your directors, its disclosure would prejudice the interests of the consolidated entity.

Dividends

No dividends have been paid or recommended during the period.

The directors of the company in the reporting year were as follows:

Mr Nicholas Kephala	Non-Executive Chairman – Appointed July 2004 Company Secretary – Appointed August 2005
Mr Stephen Hobbs	Non-Executive Director – Appointed July 2004
Mr Christian McMahon	Executive Director – Appointed July 2005

Mr Joe Fekete	Executive Director and Company Secretary February 2005 to 5 August 2005
Ms Margy Nixon	Non-Executive Director from July 2004 to February 2005

GROWTH PLATFORM LIMITED & CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 30 JUNE 2005

Please note that the Company was incorporated on 12 August 2004, and as such the year ended 30 June 2005 is its first financial year. No comparables to earlier periods is therefore provided.

	<u>Note</u>	<u>Consolidated</u>
	<u>s</u>	<u>2005</u>
Revenue from ordinary activities	1	\$618,016
Cost of sales (excluding salary & employee benefits expenses)		\$213,138
Salaries & employee benefits expenses		\$333,570
Overheads		\$387,936
Depreciation & amortisation expenses	2	\$21,524
Borrowing cost expense		\$933
Other expense from ordinary activities		
Loss from ordinary activities before income tax expense		(\$339,085)
Income tax expense relating to ordinary activities		-
Loss from ordinary activities after income expense		(\$339,085)
Net profit attributable to outside equity interest		-
Net profit attributable to members of the parent entity		(\$339,085)
Basic earnings per share (cents)		(\$0.02)
Diluted earnings per share (cents)		(\$0.018)
The accompanying notes form part of these financial statements		

GROWTH PLATFORM LIMITED & CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2005

Please note that the Company was incorporated on 12 August 2004, and as such the year ended 30 June 2005 is its first financial year. No comparables to earlier periods is therefore provided.

	<u>Notes</u>	<u>Consolidated</u> <u>2005</u>
CURRENT ASSETS		
Cash assets	\$1,056,229	
Receivables	\$287,168	
Inventories	\$25,566	
Others	\$54,299	
TOTAL CURRENT ASSETS		\$1,423,262
NON-CURRENT ASSETS		
Property, plant & equipment	\$325,905	
Intangible assets	\$15,327	
TOTAL NON-CURRENT ASSETS		\$341,232
TOTAL ASSETS		<u>\$1,764,494</u>
CURRENT LIABILITIES		
Payables	\$176,439	
Interest bearing liabilities		
Tax liabilities	-\$31,246	
Provisions	\$26,405	
Others	\$57,148	
TOTAL CURRENT LIABILITIES		\$228,746
NON-CURRENT LIABILITIES		
Interest bearing liabilities	\$197,715	
TOTAL NON-CURRENT LIABILITIES		\$197,715
TOTAL LIABILITIES		<u>\$426,461</u>
NET ASSETS		<u>\$1,338,033</u>
EQUITY		
Contributed equity	\$1,677,124	
Accumulated losses	(\$339,091)	
TOTAL EQUITY		<u>\$1,338,033</u>

The accompanying notes from part of these financial statements

GROWTH PLATFORM LIMITED
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2005

Please note that the Company was incorporated on 12 August 2004, and as such the year ended 30 June 2005 is its first financial year. No comparables to earlier periods is therefore provided.

	<u>Note</u>	<u>Consolidate</u>
	<u>s</u>	<u>2005</u>
Cash flows from operating activities		
Receipts from customers	\$296,386	
Payments to suppliers and employees	-\$739,883	
Interest received	\$19,162	
Borrowing costs	-\$933	
Tax received/(paid)	-\$30,830	
		<hr/>
Net cash provided by operating activities	6	-\$456,098
Cash flows from investing activities		
Payment for property, plant and equipment	-\$347,429	
Proceeds from sales of:		
Plant and equipment		
Investments		
Payment for assignment of contract with City of Wanneroo	-\$12,500	
Formation expense	-\$2,827	
		<hr/>
Net cash provided by investing activities		-\$362,756
Cash flows from financing activities		
Proceeds from share issues	\$1,677,124	
Proceeds from Borrowings		
Proceeds from Hire Purchase Finance	\$220,117	
Hire Purchase and lease finance repayments	-\$22,402	
Opening equity	\$0	
		<hr/>
Net cash provided by financing activities		<hr/> \$1,874,839
Net increase (decrease) in cash held		\$1,055,985
Cash at the beginning of the year		\$0
Cash at the end of the year	6	<hr/> \$1,055,985 <hr/>

The accompanying notes form part of these financial statements.

GROWTH PLATFORM LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2005

1.	REVENUES FROM ORDINARY ACTIVITIES	Consolidated 2005
-----------	--	------------------------------

Revenue from operating activities

Revenue from sale of goods	48,978
Revenue from sale of services	<u>549,876</u>
Total operating revenue	<u>598,854</u>

Revenue from non-operating activities

Other income	
Interest revenue from financial institutions	19,162

Total revenue from ordinary activities	618,016
	=====

2.	EXPENSES AND LOSSES/(GAINS)
-----------	------------------------------------

Loss from ordinary activities before income tax has been determined after:

(a) Expenses

Depreciation of non-current assets:	
Plant and equipment	21,524
Total depreciation of non-current assets	<u>21,524</u>
	=====

Amortisation of non-current assets	-
------------------------------------	---

Total depreciation and amortisation expenses	<u>21,524</u>
	=====

(b) Significant revenue and expense items

Salary and employee benefits expense	333,570
Bad debts expense	20,000
Write-down of fixed assets	28,032

3. ACCUMULATED LOSSES

Accumulated losses at the beginning of the year	nil
Total changes in equity other than those resulting from transactions with owner as owners	(339,091)
Accumulated losses at the end of the year	(339,091)

4. DIVIDENDS

The Company does not intend to pay a dividend in respect of the financial year ended 30 June 2005.

5. NET TANGIBLE ASSETS PER SECURITY

Net tangible asset backing per ordinary security at 30 June 2005 was 7.8 cents per share.

6. STATEMENT OF CASH FLOWS

Consolidated 2005

(a) Reconciliation of cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments with terms of less than 90 days, net of outstanding bank overdrafts. Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	\$1,056,229
Deposits at call	nil
Bank overdraft	nil
	<u>\$1,056,229</u>
	=====

(b) Reconciliation of operating loss after income tax to net cash flows from operating activities:

Loss after income tax	-\$339,085
-----------------------	------------

Non-cash items:

Depreciation of non-current assets	\$21,524
------------------------------------	----------

Amortisation of non-current assets	
------------------------------------	--

Bad and doubtful debts	\$30,316
------------------------	----------

Write down of non-current assets	
----------------------------------	--

Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:

Increase in accounts receivable	-\$289,510
---------------------------------	------------

Increase in inventories	-\$25,566
-------------------------	-----------

Increase in work in progress	-\$43,274
------------------------------	-----------

(Increase)/Decrease in inventories of finished goods	
--	--

Increase in prepayments	-\$38,999
-------------------------	-----------

Increase in accounts payable	\$156,102
------------------------------	-----------

Increase in employee entitlements	\$26,405
-----------------------------------	----------

Increase in accruals	<u>\$45,989</u>
Net cash used in operating activities	<u>-\$456,098</u>

7. ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

As at 30 June 2005, the Company had the following interests in subsidiary entities:

Name of Entity	Country of Incorporation	Percentage of equity interest held by the consolidated entity
Austral Waste (Vic) Pty Ltd (formerly Spray Booth and Waste (SAW) Pty Ltd)	Australia	100%
Austral Waste Recycling (WA) Pty Ltd	Australia	100%

8. SUBSEQUENT EVENT/DISCONTINUING OPERATION

On 6 July 2005, the Company's wholly owned subsidiary, Austral Waste (Vic) Pty Ltd (formerly Spray Booth and Waste (SAW) Pty Ltd, sold various assets and liabilities associated with the business operations known as "SAW". The sale was made effective on and from 1 July 2005.

Further details of the sale, and its financial effect, are set out below:

- (a) the business provided services to the spray booth industry in that it serviced, relocated and cleaned spray booths for industries such as the automotive and furniture industries. The business also sold chemicals to the spray booth owners.
- (b) The financial effect of the sale has not been recognised as at 30 June 2005. However, the book value of plant and equipment was, as at 30 June 2005, written down by \$28,032 to bring it in line with the price paid by the purchaser of the business for the said plant.
- (c) The business was sold for a total consideration of \$113,333 made up as follows:
 - a. Cash payment (received on 6 July 2005) of \$5,000; and
 - b. An agreement by the purchaser to allow the Company to cancel 625,000 shares in the Company. The trade weighted average share price of the Company's shares from the time of listing on the Newcastle Stock Exchange to 30 June 2005 was 17.33 cents per share, and as such the consideration attributed to the cancellation of the shares was \$108,333. The cancellation will occur once formal approval of the cancellation has been received from the Company's shareholders at its annual general meeting to be held later in this calendar year.
- (d) Set out below are the book value of the assets sold to, and the liabilities assumed by, the purchaser:
 - a. Assets sold: inventory (\$25,565), motor vehicles (\$80,244) and plant and equipment (\$114,449);
 - b. Liabilities assumed: hire purchase arrangements related to the motor vehicles (\$85,610) and leave liability of 21,315);
 - c. The net consideration therefore, as stated earlier, was \$113,333.
- (e) As the sale price is equal to the carrying value of the assets sold by the Company, there will be no profit or loss recorded in relation to the sale in the year ending 30 June 2006.

9. ASSOCIATES AND JOINT VENTURE ENTITIES

The Company did not have any interests in associates or joint venture entities during the year ended 30

June 2005, other than those described in Note 8.

10. CONTINGENT LIABILITIES

The Company has no contingent liabilities.

11. SEGMENT INFORMATION

The Company operates in the waste management industry and during the period operated only in Australia.

12. IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (AIFRS)

The Company, along with its auditors, is assessing the significance of the International Financial Reporting Standards (IFRS) to the Company and is preparing for its implementation.

At this point in time the directors are of the opinion that the impact will be minimal in terms of volatility on the group's profit performance or on its net assets. Full details will be provided in the Company's Annual Report.

Annual meeting*(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

To be advised

Date

To be advised

Time

To be advised

Approximate date the annual report will be available

To be advised

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).
2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:

The financial statements have been audited.	The financial statements have been subject to review by a registered auditor (or overseas equivalent).
<input checked="" type="checkbox"/> The financial statements are in the process of being audited or subject to review.	The financial statements have <i>not</i> yet been audited or reviewed.
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer* has/does not have* (*delete one*) a formally constituted audit committee.

Sign here:



Print name: Nicholas Michael Kephala, Director and Company Secretary

Date: 12 September 2005