

Eleckra Mines Limited
ABN 13 109 289 527

Condensed Financial Report
For The Half-Year Ended 31 December 2008

Eleckra Mines Limited
ABN 13 109 289 527

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Directors' Report

The Directors present their interim report on Eleckra Mines Limited for the half-year ended 31 December 2008.

Directors

The following persons were directors of Eleckra Mines Limited during the half-year and up to the date of this report. Directors were in office for the entire period unless otherwise stated.

Ian Murray *(Executive Chairman)*
Russell Davis *(Non-executive Director)*
Kevin Hart *(Non-executive Director)*

Company Secretary

Kevin Hart

Review of Operations

The net loss after income tax for the half-year was \$1,745,552 (31 December 2007: \$1,379,439).

Included in the loss for the current half-year is a write-off of deferred exploration expenditure totalling \$1,041,330 (31 December 2007: \$985,035).

At the end of the half-year the Company had \$620,963 (31 December 2007: \$2,784,357) in cash and at call deposits. Capitalised mineral exploration and evaluation expenditure is \$3,874,826 (31 December 2007: \$4,800,452).

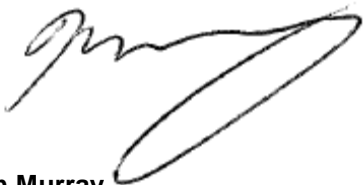
Expenditure was principally focused on the Yamarna Projects.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on page 4.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 12th day of March 2009.



Ian Murray
Executive Chairman

Stantons International

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12 March 2009

Board of Directors
Eleckra Mines Limited
6 Altona Street
West Perth WA 6005

Dear Directors

RE: ELECKRA MINES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Eleckra Mines Limited.

As Audit Director for the review of the financial statements of Eleckra Mines Limited for the six months ended 31 December 2008 I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

STANTONS INTERNATIONAL
(Authorised Audit Company)



John Van Dieren
Director

**Condensed Income Statement
 For the half-year ended 31 December 2008**

	Note	31 December 2008 \$	31 December 2007 \$
Revenue		<u>33,317</u>	109,492
Total revenue		33,317	109,492
Employee expenses		(90,625)	(256,565)
Employee expenses recharged to exploration		47,687	92,650
Equity based remuneration expense		(306,811)	(30,409)
Director's fees		(65,000)	(28,814)
Depreciation expense		(17,170)	(15,436)
Corporate expenses		(209,007)	(81,965)
Legal costs		(4,829)	(3,692)
Insurance		(12,754)	(20,762)
Travel expenses		(18,452)	(28,269)
Office expenses		(52,648)	(94,153)
Finance costs		-	(22,963)
Other expenses from ordinary activities		(7,930)	(13,518)
Exploration costs written off and expensed		<u>(1,041,330)</u>	(985,035)
Loss before income tax	2	(1,745,552)	(1,379,439)
Income tax expense		-	-
Loss attributable to members for the half-year		<u>(1,745,552)</u>	(1,379,439)
Basic loss per share (cents)		<u>(2.81)</u>	(2.22)
Diluted loss per share (cents)		<u>(2.81)</u>	(2.22)

The above income statement should be read in conjunction with the accompanying notes.

Eleckra Mines Limited
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**Condensed Balance Sheet
As At 31 December 2008**

	Note	31 December 2008 \$	30 June 2008 \$
Current assets			
Cash and cash equivalents		620,963	1,573,995
Trade and other receivables		43,310	36,625
		664,273	1,610,620
Total current assets			
Non- current assets			
Property, plant and equipment		175,071	173,103
Investment in subsidiary	3	598	598
Other financial assets – security deposit		2,500	2,500
Capitalised mineral exploration and evaluation expenditure		3,874,826	4,375,251
		4,052,995	4,551,452
Total non-current assets		4,717,268	6,162,072
Total assets			
Current liabilities			
Trade and other payables		149,423	152,805
Provisions		-	2,681
		149,423	155,486
Total current liabilities		149,423	155,486
Total liabilities			
		4,567,845	6,006,586
Net assets			
Equity			
Contributed equity	5	10,062,882	10,062,882
Accumulated losses		(6,327,040)	(4,581,488)
Equity remuneration reserve		832,003	525,192
		4,567,845	6,006,586
Total equity		4,567,845	6,006,586

The above balance sheet should be read in conjunction with the accompanying notes.

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**Condensed Statement of Changes in Equity
For the half-year ended 31 December 2008**

	Note	31 December 2008 \$	31 December 2007 \$
Total equity at the beginning of the period		6,006,586	6,965,563
Loss for the period		(1,745,552)	(1,379,439)
Movement in equity remuneration reserve	4	306,811	30,409
Transactions with equity holders in their capacity as equity holders:			
Contributions of equity	5	-	2,000,000
Transaction costs of equity issued		-	-
Total equity at the end of the period		4,567,845	7,616,533

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Condensed Cash Flow Statement
 For the half-year ended 31 December 2008**

	Note	31 December 2008 \$	31 December 2007 \$
Cash flows from operating activities			
Interest received		34,422	128,776
Interest paid		-	(35,741)
Payments to suppliers and employees		<u>(443,461)</u>	<u>(562,818)</u>
Net cash used in operating activities		<u>(409,039)</u>	<u>(469,783)</u>
Cash flows from investing activities			
Payments for exploration and evaluation		(524,855)	(972,284)
Payments for plant and equipment		<u>(19,138)</u>	<u>(35,197)</u>
Net cash used in investing activities		<u>(543,993)</u>	<u>(1,007,481)</u>
Cash flows from financing activities			
Repayment of borrowings		-	<u>(5,785)</u>
Net cash used in financing activities		<u>-</u>	<u>(5,785)</u>
Net decrease in cash and cash equivalents held		(953,032)	(1,483,049)
Cash and cash equivalents at the beginning of the period		1,573,995	4,267,406
Cash and cash equivalents at the end of the period	6	<u>620,963</u>	<u>2,784,357</u>

The above cash flow statement should be read in conjunction with the accompanying notes.

**Condensed Notes to the Financial Statements
For the half-year ended 31 December 2008**

Note 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the financial periods presented unless otherwise stated. The financial report includes separate financial statements for Eleckra Mines Limited as an individual entity.

(a) Basis of preparation

This general purpose condensed financial report for the half-year reporting period ended 31 December 2008 has been prepared in accordance with Accounting Standard AASB134 Interim Financial Reporting, and the Corporations Act 2001.

This half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2008 and any public announcements made by Eleckra Mines Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(b) Going Concern

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realization of assets and discharge of liabilities in the ordinary course of business. The ability of the Company to continue to adopt the going concern assumption will depend on future successful capital raisings, the successful exploration and subsequent exploitation of the Company's tenements and/or sale of non-core assets. The Directors are confident of securing funds if and when necessary to meet the Company's obligations as and when they fall due.

Should the Company not be successful in raising additional funding by capital raisings or other alternative funding arrangements fail to eventuate, there is uncertainty as to whether the Company will be able to continue as a going concern.

If the Company is unable to continue as a going concern, it will be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts that may be different to those stated in the final report.

(c) New Accounting Standards and Interpretations

Since 1 July 2008 the Company has adopted the following Standards and Interpretations mandatory for annual periods beginning on or after 1 July 2008. Adoption of these Standards and Interpretations did not have any effect on the financial performance or position of the Company.

- *AASB 2008-12 Amendment to Australian Accounting Standards – Reclassification of Financial Assets (amendments to AASB 139 Financial Instruments: Recognition and Measurement and AASB 7 Financial Instruments Disclosures)*

**Condensed Notes to the Financial Statements
 For the half year ended 31 December 2008**

Note 2 Loss before income tax

Loss before income tax includes the following specific expenses:

	31 December 2008 \$	31 December 2007 \$
Depreciation		
Field equipment	5,792	777
Office furniture	817	345
Office equipment	714	708
Computer equipment	7,311	8,607
Vehicles	2,536	4,999
 Rental expenses on operating leases – minimum lease payments	 26,772	 24,397
 Exploration expenditure written off and expensed	 1,041,330	 985,035
 Finance costs	 -	 22,963

Note 3 Investment in subsidiary

During 2007 Eleckra Mines Limited acquired 100% of Thatcher's Soak Uranium Pty Ltd for \$598, this Company was incorporated in Western Australia on 22 March 2007.

The subsidiary company had no material assets or liabilities at the reporting date and in addition had no revenue or expenses during the period of incorporation to the end of the financial reporting period.

Consolidated financial statements have not been prepared as the Directors consider to do so would be immaterial to the reporting entity's net assets at the reporting date and its result and cash flows for the reporting period.

**Condensed Notes to the Financial Statements
 For the half year ended 31 December 2008**

Note 4 Share based payments

Share based compensation payments are made available to directors and employees/consultants.

The fair value at grant date is independently determined using a Black and Scholes option pricing model that takes into account the exercise price, the term of the option, the share price at grant date expected price volatility of the underlying share and the risk free rate for the term of the option.

During the period the following options were issued:

Issued to	Number of Options	Exercise price	Vesting date	Expire
Corporate Advisers – Hartleys Limited	500,000	25 cents each	16 March 2009	30 May 2011
Ian Murray	1,000,000 1,000,000 1,000,000	18.5 cents each 22 cents each 26 cents each	30 November 2009 30 November 2010 30 November 2011	30 May 2013 30 May 2013 30 May 2013

Note 5 Contributed equity

	31 December 2008 No.	30 June 2008 No.	31 December 2008 \$	30 June 2008 \$
<i>a) Share capital</i>				
Issued share capital	62,100,000	62,100,000	10,062,882	8,062,882
<i>b) Share movements during the period</i>				
Balance brought forward	62,100,000	58,100,000	10,062,882	8,062,882
Shares issued on conversion of convertible notes	\$0.50	- 4,000,000	-	2,000,000
At the end of the period	62,100,000	62,100,000	10,062,882	10,062,882

**Condensed Notes to the Financial Statements
For the half year ended 31 December 2008**

Note 6 Cash and cash equivalents

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following:

	31 December 2008	31 December 2007
	\$	\$
Cash at bank and in hand	5,252	759,357
Short-term deposits	615,711	2,025,000
	620,963	2,784,357

Note 8 Segment information

Business segments

The Company is involved in the mineral exploration sector.

Geographical segments

The Company is organised on a national basis with exploration and development interests within Western Australia and Queensland.

Note 9 Dividends

No dividends were paid or proposed during the period.

Note 10 Contingencies

(i) Contingent liabilities

There has been no change in contingent liabilities since the last annual reporting date.

(ii) Contingent assets

There were no material contingent assets as at the reporting dates.

Note 11 Events occurring after the balance sheet date

There has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Directors' Declaration

In the opinion of the Directors of Eleckra Mines Limited ("the Company")

- (a) the interim financial statements and notes set out on pages 5 to 12 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the financial position of the company as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company 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.

Signed at Perth this 12th day of March 2009.



Ian Murray
Executive Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ELECKRA MINES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Eleckra Mines Limited, which comprises the condensed balance sheet as at 31 December 2008, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, a condensed statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company 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 designing, implementing and maintaining internal controls 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 Standards on Review Engagements ASRE 2410 *Review of Interim Financial 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 Company's financial position as at 31 December 2008 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 Eleckra Mines 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Eleckra Mines Limited on 12 March 2009.

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 Eleckra Mines Limited is not in accordance with the *Corporations Act 2001* including:

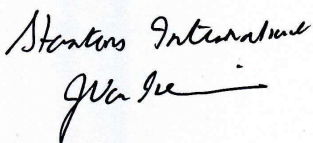
- (a) giving a true and fair view of the Company's financial position as at 31 December 2008 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standards AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Inherent Uncertainty Regarding Going Concern

Without qualification to the review, as referred to in note 1(b) to the financial statements, the financial statements have been prepared on a going concern basis. The ability of the Company to continue as going concern and to meet planned and committed expenditure requirements is subject to the Company successfully exploiting the investments and mining projects owned by the Company and/or the raising of further equity and/or loan capital.

In the event that the Company is not successful in raising further funds, the realisable value of the entity's non-current assets may be significantly less than their current carrying values and the Company may not be able to continue in its present form.

STANTONS INTERNATIONAL
(An Authorised Audit Company)



Stantons International
John Van Dieren

John Van Dieren
Director

West Perth, Western Australia
12 March 2009