



ABN: 98 103 348 947

**Appendix 4D Half-year report
In compliance with ASX Listing Rule 4.2.A.3
For the period ended 31 December 2009**

Results for Announcement to the Market

	Increase / (Decrease)	Half-year ended 31 December 2009 \$	Half-year ended 31 December 2008 \$
Revenue from ordinary activities	down 30%	120,723	171,839
Profit / (loss) from ordinary activities after tax attributable to members	down 57%	(815,134)	(1,876,970)
Net profit / (loss) for the period attributable to members	down 57%	(815,134)	(1,876,970)
Dividends / distributions		Amount per security	Franked amount per security
Final dividend		-	-
Interim dividend		-	-
Net tangible assets per security		Half-year ended 31 December 2009 cents/share	Half-year ended 31 December 2008 cents/share
Net tangible assets per ordinary security		7.10	7.74

Compliance Statement

The accounts are not subject to audit dispute or qualification. This report is based on accounts that have been subject to an audit review as detailed in the Company's financial report.

For further explanation of the above figures please refer to the Directors' Report. Other financial information required by Appendix 4D is contained in the Financial Statements.

Gregory (William) Fry
Director

Dated this 26th day of February 2010



ABN 89 106 523 611

Interim Financial Statements
for the six months ended
31 December 2009

ENERGY VENTURES LIMITED

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ENERGY VENTURES LIMITED

Directors' Report

Interim Financial Statements - 31 December 2009

The Directors of the Company present their report on the Consolidated Entity consisting of Energy Ventures Limited and the entities it controlled at the end, or during, the half-year ended 31 December 2009.

1. Directors

The directors of the company at any time during or since the end of the half-year are:

Dr Ian Duncan – Non-Executive Chairperson

Mr Gregory (Bill) Fry – Executive Director (appointed 18 August 2009)

Mr Alasdair Cooke – Executive Director

Mr Michael Curnow – Non-Executive Director

Review of Operations - Half-year ended 31 December 2009

Energy Ventures Limited is an ASX listed investment company, developing an investment portfolio focused on energy sector assets that will complement the existing positions held by the Company. The Company's existing investment portfolio is outlined below:

African Energy Resources (37% equity interest)

African Energy Resources is focused on identifying and developing energy resources projects in Africa. It holds a quality portfolio of tenements and joint venture projects in Zambia and Botswana. The Company is led by a highly experienced Board of Directors and management team who have been closely associated with successful exploration projects and mining developments, including current mining projects in Zambia as well as large scale uranium mining operations in Australia. The Company's projects are located over sedimentary basins of the Karoo Supergroup, which are host to uranium projects in South Africa, Malawi, Zambia, Botswana, Tanzania and Zimbabwe.

African Energy holds a vested 70% interest in the Chirundu Joint Venture Project which comprises a large tenement package covering prospective uranium targets in the Kariba Valley region of Zambia. The most advanced projects are the Gwabe and Njame uranium deposits which contain a total Measured and Indicated Resource of 7.4 million pounds of uranium at an average grade of 293 ppm U₃O₈. In November 2009, drilling defined a new Inferred Resource of 2.3 million pounds at an average grade of 237ppm U₃O₈ at the Njame South deposit.

African Energy commenced a Bankable Feasibility Study (BFS) on the Chirundu JV Project in May 2008, and indications to date are that the project could support a 5-6 year, low to medium cost acid heap leach operation delivering on average 1.2Mlb U₃O₈ per annum at an average cash cost of below US \$30/lb U₃O₈. However, with the exception of certain aspects of the metallurgical test-work programme, the BFS was suspended in October 2008 in response to deteriorating market conditions. This decision is continually under review.

In addition to the Chirundu Joint Venture Project, African Energy is also maintaining active exploration programs for uranium on other projects in Zambia and Botswana. During the period, African Energy made a new discovery at the 100% owned Gojwane Prospect within the Sese Project in Botswana. 92 drillholes completed on a broad spaced grid have intersected a wide zone of potentially economic grade and thicknesses of near-surface uranium mineralisation.

Norrskan Energy Ltd (51% equity interest)

Norrskan Energy Limited is a joint venture company formed in June 2008 between Energy Ventures and Swedish mineral company IGE Nordic AB in order to explore for uranium in Sweden. EVE is the manager of the joint venture and has committed SEK 5 million (approximately AUD \$870,000) to fund the initial exploration programs. The consolidated Norrskan Energy project portfolio comprises 100% ownership of 12 exploration permits that encompass a range of uranium exploration opportunities, from drill-ready targets with known occurrences of bedrock uranium mineralisation, through to greenfield exploration targets.

ENERGY VENTURES LIMITED

Directors' Report

Interim Financial Statements - 31 December 2009

The exploration permit areas are considered to be prospective for uranium mineralisation systems, based on the interpretation of high quality geological, geophysical and geochemical data sourced from the Swedish Geological Survey (SGU). The permit areas are also adjacent to known uranium occurrences and potentially hold the strike continuations of these uranium deposits.

Ballek Joint Venture Project (currently earning 50% equity interest)

The Ballek JV Project contains the Lulepotten Deposit where an initial JORC Inferred Resource of 5.4Mt @ 0.8% Cu & 0.3 g/t Au was estimated in September 2008. Under the Ballek JV agreement, Energy Ventures may earn 50% of the project from AIM listed Beowulf Mining by the completion of a 1,600m diamond drill programme. This programme commenced in February 2010 and is expected to be completed in March 2010.

Agricola Resources plc (29.9% equity interest)

Energy Ventures has retained its interest of 29.9% in Agricola Resources, which has undergone a strategic change of direction and is now focussing on gold exploration in northern Africa. In November 2009 Agricola was granted two gold exploration licenses in southern Morocco. Under the terms of a joint venture agreement with the Minerals Exploration Branch of the Moroccan State Bureau for Mines and Hydrocarbons (ONHYM), Agricola is entitled to earn up to 100% of the projects by funding all exploration costs.

Corporate

Mr Bill Fry was appointed to the Energy Ventures Board in the capacity of Executive Director on 18 August. Mr Fry has more than 20 years corporate experience in the mining and resources industry, specialising in accounting, management, business development and corporate activities. He has vast experience in project evaluation and development, project funding, management, finance and operations.

In December, Energy Ventures completed a placement to institutional and sophisticated investors of 20 million fully paid ordinary shares at 5.5c per share; to raise \$1.1 million before costs. As at 31 December 2009 the Company's cash reserves were \$1.68m (\$7.68m for the Consolidated Entity).

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the 'JORC Code') sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves. The information contained in this announcement has been presented in accordance with the JORC Code and references to "Measured", "Indicated" and "Inferred Resources" are to those terms as defined in the JORC Code.

Information in this report relating to exploration results is based on data compiled by Mr Lachlan Reynolds (a full time employee of the Company), who is a member of The Australasian Institute of Mining and Metallurgy. Mr Reynolds has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Reynolds consents to the inclusion of the data in the form and context in which it appears.

ENERGY VENTURES LIMITED

Directors' Report

Interim Financial Statements - 31 December 2009

Lead Auditor's Independence Declaration

The lead auditor's Independence Declaration is set out on page 7 and forms part of the Directors' report for the half year ended 31 December 2009.

A handwritten signature in black ink, appearing to read 'Gregory Fry', with a large, sweeping flourish underneath.

Gregory William Fry
Director
Perth, 27 February 2010


ENERGY VENTURES LIMITED

Directors' Declaration

Interim Financial Statements - 31 December 2009

- 1 In the opinion of the directors of Energy Ventures Limited :
 - a. The financial statements and notes set out on pages 10 to 17, are in accordance with the Corporations Act 2001, including:
 - i. 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
 - ii. Complying with AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. there are reasonable grounds to believe that Energy Ventures 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.



Gregory William Fry
Director
Perth, 27 February 2010

26th February 2010

Board of Directors
Energy Ventures Limited
Ground Floor, 8 Colin Street
WEST PERTH WA 6005

Dear Sirs

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF ENERGY VENTURES LIMITED

As lead auditor of Energy Ventures Limited for the half-year ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Energy Ventures Limited and the entities it controlled during the period.



Peter Toll
Director



BDO Audit (WA) Pty Ltd
Perth, Western Australia

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

Matters Relating to the Electronic Presentation of the Half-Year Financial Report

This auditor's report relates to the half-year financial report of Energy Ventures Limited for the period ended 31 December 2009 included on Energy Ventures Limited's web site. The disclosing entity's directors are responsible for the integrity of Energy Ventures Limited's web site. We have not been engaged to report on the integrity of Energy Ventures Limited's web site. The auditor's review report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this half-year report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Energy Ventures Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and 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 of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity 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 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 Standard on Review Engagements ASRE 2410 *Review of an 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 disclosing 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 Energy Ventures 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* would be in the same terms if it had been given to the directors at the time that this auditor's review report was made.

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 Energy Ventures 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.

BDO Audit (WA) Pty Ltd

BDO


Peter Toll
Director

Signed in Perth, Western Australia
Dated this 26th day of February 2010.

ENERGY VENTURES LIMITED**Consolidated Statement of Comprehensive Income
For the period ended 31 December 2009**

	Note	31-Dec-09 AUD	31-Dec-08 AUD
Revenue from continuing operations		120,723	171,839
Professional fees		(157,439)	(299,308)
Employee benefit expense	3a	(859,588)	(1,179,965)
Impairment (expense) / reverse	4	101,679	(423,844)
Other expenses	3b	(503,043)	(640,875)
Loss from operating activities		(1,297,668)	(2,372,153)
Net financial expense	3c	(130,732)	(17,768)
Share of losses in associates		-	(86,039)
Loss before income tax		(1,428,400)	(2,475,960)
Income tax benefit		-	-
Loss for the period		(1,428,400)	(2,475,960)
Other comprehensive income			
Foreign currency translation reserve		(2,887,972)	1,835,127
Total comprehensive income for the period		(4,316,372)	(640,834)
Loss attributable to:			
Equity holders of the Company		(815,135)	(1,876,970)
Non-controlling interest		(613,265)	(598,990)
Loss for the period		(1,428,400)	(2,475,960)
Total comprehensive income attributable to:			
Equity holders of the Company		(2,461,195)	(485,802)
Non-controlling		(1,855,177)	(155,032)
Total comprehensive income for the period		(4,316,372)	(640,834)
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic loss per share (cents per share)		(0.64)	(1.10)

The consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes.

ENERGY VENTURES LIMITED**Consolidated Statement of Financial Position**

As at 31 December 2009

	<i>Note</i>	31-Dec-09 AUD	30-Jun-09 AUD
Assets			
<i>Current Assets</i>			
Cash and cash equivalents		7,682,021	1,660,096
Trade and other receivables		968,746	945,842
Total current assets		8,650,767	2,605,938
<i>Non-current Assets</i>			
Investments in associates	5	383,214	364,794
Property, plant and equipment		693,230	765,763
Exploration and evaluation expenditure	6	18,478,740	19,596,871
Total non-current assets		19,555,184	20,727,429
Total assets		28,205,951	23,333,367
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables		530,560	399,393
Total current liabilities		530,560	399,393
Total liabilities		530,560	399,393
Net assets		27,675,391	22,933,974
Equity			
Contributed equity	7	11,093,807	10,053,507
Reserves	8	12,467,552	14,759,705
Accumulated losses		(10,713,713)	(9,898,578)
Total equity attributable to shareholders of the Company		12,847,646	14,914,634
Non-controlling Interest		14,827,745	8,019,340
Total equity		27,675,391	22,933,974

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

ENERGY VENTURES LIMITED
**Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2009**

	Contributed Equity	Accumulated losses	Asset reserves	Foreign currency translation reserve	Share-based payments	Attributable to members of parent company	Non- controlling interest	Total
	AUD	AUD	AUD	AUD	AUD	AUD	AUD	AUD
Half- year ended 31 December 2009								
Total equity at 1 July 2009	10,053,507	(9,898,578)	11,424,692	(16,171)	3,351,184	14,914,634	8,019,340	22,933,974
Loss for the period	-	(815,134)	-	-	-	(815,134)	(613,265)	(1,428,399)
Foreign currency translation reserve	-	-	-	(1,646,061)	-	(1,646,061)	(1,241,913)	(2,887,974)
Total comprehensive income for the period	-	(815,134)	-	(1,646,061)	-	(2,461,195)	(1,855,177)	(4,316,372)
Transactions with owners in their capacity as owners:								
Share issue net of issue costs	1,040,300	-	-	-	-	1,040,300	-	1,040,300
Gain/(Loss) on dilution of interest in subsidiary	-	-	(830,263)	-	-	(830,263)	8,663,582	7,833,319
Share-based payments	-	-	-	-	184,170	184,170	-	184,170
	1,040,300	-	(830,263)	-	184,170	394,207	8,663,582	9,057,789
Total equity at 31 December 2009	11,093,807	(10,713,712)	10,594,429	(1,662,232)	3,535,354	12,847,646	14,827,745	27,675,391
Half- year ended 31 December 2008								
Total equity at 1 July 2008	10,053,507	(6,298,983)	11,269,236	(1,851,401)	3,274,908	16,447,267	9,191,327	25,638,594
Loss for the period	-	(1,876,970)	-	-	-	(1,876,970)	(598,990)	(2,475,960)
Foreign currency translation reserve	-	-	-	5,638,700	-	5,638,700	-	5,638,700
Total comprehensive income for the period	-	(1,876,970)	-	5,638,700	-	3,761,730	(598,990)	3,162,740
Transactions with owners in their capacity as owners:								
Gain/(Loss) on dilution of interest in subsidiary	-	-	20,831	-	-	20,831	16,023	36,854
Share-based payments	-	-	-	-	247,481	247,481	-	247,481
	-	-	20,831	-	247,481	268,312	16,023	284,335
Total equity at 31 December 2008	10,053,507	(8,175,953)	11,290,067	3,787,299	3,522,389	20,477,309	8,608,360	29,085,669

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

ENERGY VENTURES LIMITED**Consolidated Statement of Cash Flows**

For the half-year ended 31 December 2009

	Note	31-Dec-09 AUD	31-Dec-08 AUD
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,177,555)	(1,943,292)
Interest received		74,845	122,743
Net cash used in operating activities		(1,102,710)	(1,820,549)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(9,146)	(302,894)
Payment for exploration and evaluation expenditure		(1,726,542)	(3,246,549)
Acquisition of investment		(18,420)	-
Repayment of Secured Loans		137,440	192,135
Net cash used in investing activities		(1,616,668)	(3,357,308)
Cash flows from financing activities			
Proceeds from the issue of share capital		9,286,731	-
Payment for share issuance costs		(532,100)	-
Net cash provided by financing activities		8,754,631	-
Net increase / (decrease) in cash and cash equivalents		6,035,253	(5,177,857)
Cash and cash equivalents at 1 July		1,660,096	8,618,915
Effect of exchange rates on cash holdings in foreign currencies		(13,328)	(13,328)
Cash and cash equivalents at 31 December		7,682,021	3,429,977

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

ENERGY VENTURES LIMITED**Notes to the consolidated financial statements****31 December 2009****1. Basis of preparation of half-year statements**

These general purpose financial statements are for the interim half-year reporting period ended 31 December 2009 and have been prepared in accordance with *Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*.

These financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual financial statements for the year ended 30 June 2009 and any public announcements made by Energy Ventures 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, except as follows:

The Group has applied AASB 8 Operating Segments from 1 July 2009, this standard requires a 'management approach' to the reporting of segment information. Operating segments are now reported on the same basis as they are used for internal reporting purposes.

2. Segment reporting

The Company's Board receives segment information across four reportable business segments. These are Chirundu JV, Other African Energy Resources, Norrsken and Other. The chief decision maker of the Group is Executive Director Bill Fry.

For the six months ended 31 December 2009	Chirundu JV	African Energy	Norrsken	Other	Consolidated
Total segment revenue	81,697	(35,059)	257	73,828	120,723
Segment result from continuing operations	(88,456)	(951,252)	(19,006)	(369,686)	(1,428,400)
For the six months ended 31 December 2008					
Total segment revenue	-	91,278	105	80,456	171,839
Segment result from continuing operations	-	(1,412,332)	(69,505)	(994,123)	(2,475,960)
Total Assets					
31 December 2009	7,132,293	13,997,198	4,982,796	2,093,663	28,205,950
30 June 2009	4,676,977	12,023,986	5,382,194	1,250,209	23,333,366

ENERGY VENTURES LIMITED**Notes to the consolidated financial statements****31 December 2009****3. Revenues and Expenses**

	31-Dec-09	31-Dec-08
	AUD	AUD
(a) Employee benefit expense		
Salaries & superannuation	253,461	517,049
Share based payments	184,170	247,481
Directors Fees	421,957	415,435
	<u>859,588</u>	<u>1,179,965</u>
(b) Other expenses from ordinary activities		
Administration costs	248,027	262,076
Premises costs	128,627	232,766
Share registry expense	62,825	64,033
Travelling costs	48,839	73,154
Other costs	14,725	8,846
	<u>503,043</u>	<u>640,875</u>
(c) Financial expense		
Realised FX Gain	130,732	17,768
	<u>130,732</u>	<u>17,768</u>

4. Impairment

	31-Dec-09	31-Dec-08
	AUD	AUD
Write-down of Investment in Cool Energy	-	407,000
Write-down of Exploration Expenditure in Sweden	-	16,844
Write-back of Exploration Expenditure in Zambia	(101,679)	-
	<u>(101,679)</u>	<u>423,844</u>

5. Investments in Associate

During the half year, the Group retained its 29.9% interest in Agricola Resources Plc. This investment is accounted for in the consolidated financial statements using the equity method of accounting and is carried at cost by the parent entity.

Movement in carrying amount

	31-Dec-09	30-Jun-09
	AUD	AUD
Carrying amount at the beginning of the year	364,795	963,093
Acquired during the year	18,419	-
Share of losses after income tax	-	(100,000)
Impairment of Agricola	-	(498,298)
Carrying amount at the end of the financial year	<u>383,214</u>	<u>364,795</u>

ENERGY VENTURES LIMITED
Notes to the consolidated financial statements
31 December 2009
6. Exploration & Evaluation Expenditure

	31-Dec-09 AUD	30-Jun-09 AUD
Balance at the beginning of the period	19,596,871	14,746,766
Additions	1,726,541	4,310,269
Effect of movements in foreign exchange	(2,161,179)	1,414,142
Transfer of E&E to joint venture	(785,172)	-
(Impairment) / reversal of impairment of exploration expenditure	101,679	(874,306)
Balance at the end of the period	18,478,740	19,596,871

The ultimate recoverability of Exploration and Evaluation Expenditure is dependent upon its successful development or sale which will require the Company to source additional capital.

7. Equity securities issued

	2009 Shares	2008 Shares	2009 \$	2008 \$
Issues of ordinary shares during the half-year				
Share placement	20,000,000	-	1,100,000	-
	20,000,000	-	1,100,000	-

8. Reserves

	31-Dec-09 AUD	30-Jun-09 AUD
Share based payments reserve	3,535,354	3,351,184
Foreign currency translation reserve	(1,662,232)	(16,171)
Asset reserves	10,594,430	11,424,692
	12,467,552	14,759,705
Reconciliation of movement in reserves	31-Dec-09 AUD	30-Jun-09 AUD
Share-based payments reserve		
Balance at the beginning of the period	3,351,184	3,274,907
Equity settled share-based payment transactions	184,170	76,277
Balance at 31 December	3,535,354	3,351,184
Foreign currency translation reserve		
Balance at the beginning of the period	(16,171)	(1,851,298)
Effect of translation of foreign currency operations to group presentation currency	(1,646,061)	1,835,127
Balance at 31 December	(1,662,232)	(16,171)
Asset Reserves		
Balance at the beginning of the period	11,424,693	11,269,133
Movement in Asset reserves for the Period	(830,263)	155,560
Balance at 31 December	10,594,430	11,424,693

ENERGY VENTURES LIMITED

Notes to the consolidated financial statements

31 December 2009

9. Capital and other commitments

There are no tenement commitments as at 31 December 2009.

10. Dividends

No dividends were paid by the consolidated entity.

11. Related Parties

Transactions with the related parties are consistent with those disclosed in the 30 June 2009 financial report, except for the following:

The Company executed a new service contract with Gregory Fry, it is detailed below.

Mr Gregory William Fry – *Executive Director, the Company*

Commencement date: 18 August 2009

Base salary, inclusive of superannuation is \$100,000 per annum.

Mr Fry's contract and remuneration is reviewed annually.

12. Contingent Assets and Liabilities

There are no identified contingent assets or liabilities as at balance date or up to the date of this report.

13. Dilution of Investment in Subsidiary

During the half-year reporting period to 31 December 2009, as a result of share placements, the Company's investment in its subsidiary, African Energy Resources Limited, was diluted from a 60.3% shareholding to a 37.23% shareholding. This resulted in a gain on dilution of \$8,663,582 being recognised in reserves by the non-controlling interest, which is in accordance with AASB 127 paragraph 5 which prescribes that any gain or loss on the issue of new share capital by the subsidiary should be recognised directly in equity.

The group maintains control of African Energy Resources Limited due to the 37.23% voting power and the power to cast the majority of votes at meetings of the Board of Directors due to 60% of the Board of African Energy Resources Limited being directors of Energy Ventures Ltd.

14. Subsequent Events

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations, results or the state of affairs of the consolidated entity or the parent company in future financial years other than disclosed in the Directors' report.