

## THIRD QUARTER REPORT ANNOUNCEMENT

Name of Listed Company **YAQARA GROUP LIMITED**  
(Accounts are not audited)

### PROFIT & LOSS STATEMENT For THIRD QUARTER PERIOD ENDED 31 December 2007

		<b>CONSOLIDATED</b>		
		Current Third Quarter Period 31/3/07 to 31/12/07  F\$000	Increase / (Decrease) %	Previous Corresponding Quarter Period 31/3/06 to 31/12/06 F\$000
<b>1.</b>	<b>OPERATING REVENUE</b>			
	(a) Sales Revenue	-	(100%)	11
	(b) Other revenue	0.84		7
	(c) Total Operating Revenue	0.84		18
<b>2.</b>	<b>(a) Net Profit /(Loss) before Tax</b>	(657)	33%	(982)
	(b) Income tax Expense	-		-
	<b>(c) Net Profit /(Loss) after Tax</b>	(657)		(982)
<b>3.</b>	(a) Extraordinary item after tax	-		-
	<b>(b) Net Profit /(Loss) after Tax &amp; Extraordinary item</b>	(657)		(982)
<b>4.</b>	(a) OEI in net profit and extraordinary items after income tax	-		-
	<b>(b) Net Profit/(Loss) after Extraordinary Items and Income Tax Attributable to Members of the Company</b>	(657)	33%	(982)
	(c) Retained Profit/(Loss) at Beginning	(8,073)		(6,697)
	(d) Total available for appropriation	-		-
	(e) Ordinary dividend provided for	-		-
	(f) Preference dividend provided for	-		-
	(g) Transfer to general reserves	-		-
	(h) Total appropriations	-		-
	(i) Retained profit at year end	(8,730)	(14%)	(7,679)
<b>5.</b>	<b>Earnings Per Share</b>			
	(a) Basic earnings/(loss) per share	(\$0.04)		(\$0.06)
	(b) Diluted earnings/(loss) per share	(\$0.02)		(\$0.04)

**STATEMENT OF ASSETS, LIABILITIES AND SHAREHOLDER'S EQUITY  
FOR THE THIRD QUARTER ENDED 31 December 2007**

**6. CURRENT ASSETS**

<b>CONSOLIDATED</b>		
At end of quarter ended 31/12/07 F\$000	As shown in last Annual Report (31/3/07) F\$000	At end of quarter ended 31/12/06 F\$000
0.1	4	1
(a) Cash Assets		
17	14	16
(b) Trade receivables		
77	68	66
(c) Other receivables		
66	66	66
(d) Inventories		
-	-	-
(e) Short – term investment		
-	-	-
(f) Other assets		
<b>160</b>	<b>152</b>	<b>149</b>
<b>(g) Total Current Assets</b>		

**NON –CURRENT ASSETS**

(h) Property, plant and equipment	25,412	25,605	25,653
(i) Long – term investment	-	-	-
(j) Term deposit	-	-	-
(k) Future Income tax benefit	-	-	-
(l) Intangible assets	-	-	-
(m) Other	50	50	50
<b>(n) Total Non – Current Assets</b>	<b>25,462</b>	<b>25,655</b>	<b>25,703</b>
<b>(o) Total Assets</b>	<b>25,622</b>	<b>25,807</b>	<b>25,852</b>

**7. CURRENT LIABILITIES**

(a) Trade payables	750	637	661
(b) Other payables and accruals	65	59	265
(c) Current tax liabilities	397	346	333
(d) Interest – bearing borrowings	-	-	-
(e) Term loan – secured	-	-	-
(f) Bank Overdraft	49	33	35
(g) Unsecured advance	1,431	1,364	865
(h) Inter – company loan	-	-	-
(i) Provisions	-	-	-
(j) Other	113	73	50
<b>(k) Total Current Liabilities</b>	<b>2,805</b>	<b>2,512</b>	<b>2,209</b>

**NON CURRENT LIABILITIES**

(l)	Term loan – secured	1,243	1,063	1,019
	- unsecured	-	-	-
(m)	Unsecured advance	180	180	179
(n)	Inter company loan	-	-	-
(o)	Deferred tax liabilities	-	-	-
(p)	Provisions	-	-	-
(q)	Other	-	-	-
(r)	<b>Total Non – Current Liabilities</b>	<b>1,423</b>	<b>1,243</b>	<b>1,198</b>
(s)	<b>Total Liabilities</b>	<b>4,228</b>	<b>3,756</b>	<b>3,407</b>
(t)	<b>NET ASSETS</b>	<b>21,394</b>	<b>22,051</b>	<b>22,445</b>

**8. EQUITY**

(a)	Contributed equity	1,917	1,917	1,917
(b)	Reserves	28,207	28,207	28,207
(c)	Retained profits /accumulated losses	(8,730)	(8,073)	(7,679)
(d)	<b>Equity Attributable to Members</b>	<b>21,394</b>	<b>22,051</b>	<b>22,445</b>

**OEI in Controlled Entities**

(e)	Contributed equity			
(f)	Reserves			
(g)	Retained profits / accumulated losses			
(h)	<b>Total outside Equity Interest in Controlled Entities</b>			
(i)	<b>TOTAL EQUITY</b>	<b>21,394</b>	<b>22,051</b>	<b>22,445</b>

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**STATEMENT OF CASH FLOWS**  
FOR THIRD QUARTER ENDED 31 December 2007

**9 CASH FLOW FROM OPERATING ACTIVITIES**

- (a) Cash Received from Trading activities
- (b) Cash Payments
- (c) Interest Received
- (d) Dividend Received
- (e) Interest Paid
- (f) Income Tax Paid
- (g) Net VAT Paid
- (h) Net Cash Inflow from Operating Activities**

<b>CONSOLIDATED</b>	
Current Third Qtr Period Ended 31/12/07  F\$000	Previous corresponding Third Qtr Period Ended 31/12/06  F\$000
0.84	18
(338)	(437)
-	-
-	-
(3)	(1)
-	-
-	-
(340)	(420)

**10. CASH FLOWS FROM INVESTING ACTIVITIES**

- (a) Acquisition of Fixed Assets
- (b) Proceeds from Sale of Fixed Assets
- (c) Acquisition of Investment
- (d) Long Term Deposit
- (e) Audio Visual Production
- (f) Proceed from Sale of Investment
- (g) Proceed from Sale of Investment
- (h) Net Cash (Outflow) from Investing Activities**

(0.4)	-
	-
(0.4)	-

**11. CASH FLOWS FROM FINANCING ACTIVITIES**

- (a) Dividend Paid
- (b) Repayment of Secured/Unsecured Loan
- (c) Proceed from Issue of Shares
- (d) Proceeds from Borrowing
- (e) Repayment of Lease Principal
- (f) Net Cash (Outflow) / Inflow from Financing Activities**

-	(19)
-	441
322	
322	422

**12. NET INCREASE / (DECREASE) IN CASH HELD**

- (a) Cash /(Overdraft) at beginning of year
- (b) Effects of exchange rate changes on opening cash balances
- (c) Cash /(Overdraft ) at end of year

(18)	2
(31)	(36)
-	
(49)	(34)

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**The disclosure amounts are under FAS, the company is in the process of implementing and adopting IFRS and any impact arising thereon will be incorporated in the annual accounts of the company.**

During the period the Company has continued to focus its efforts on raising further working capital in order to implement the stage one development plans at Yaqara. As previously announced to market, agreements are in place between the Company and Resorts and Property International Limited (RPI) for the investment by RPI of A\$5million in YGL by way of A\$3 million in cash and A\$2 million in value in shares in RPI for a share issue to RPI of shares amounting to 25% of issued capital in YGL. The share issue to RPI was approved by members at the AGM of the Company held on the 19<sup>th</sup> December 2007, valid up until the 31<sup>st</sup> March 2008 or as extended by the Board of YGL till the 30<sup>th</sup> June 2008. As part of the arrangements with RPI, RPI intends to purchase by way of sublease two hotel sites and develop two 200 room hotels at Yaqara including a five star IVANA Hotel, in association with Ivana Trump. In addition RPI will contribute to infrastructure development as well as fast tracking certain residential land development. The arrangements for the investment in the Company by YGL was expected to be completed by the end of 2007 but has been delayed by the year end period and international market uncertainties. The Company expects these arrangements to be finalised within the first quarter of 2008 and will advise the market accordingly. Because of the focus on capital raising to enable finalizing of design and marketing of stage one components, no sales activities have taken place during the period and hence no revenue for the period was recorded.

During the period and in accordance with agreements between the Company and directors Mark Falzon and Maurice Goldberg, the Company has continued to receive operating and capital support from Mark Falzon and Maurice Goldberg through interest bearing loans to YGL by Horizon Sales & Marketing (Fiji) Limited, a Company controlled by them. The Company expresses its appreciation for their continued support.

The Company has during the period reduced its operating and administrative expenses by 33%, which has flowed through to a corresponding reduction in operating loss for the period. A significant portion of the operating costs consists of land lease rentals, depreciation and amortization. These together with increased liability position from loans and provisions for taxation have flowed through to the net asset position which is stated as \$21,394.

The company remains committed to achieving the goals for development of the Studio City at Yaqara and is, within the resources currently available to it, actively pursuing its business objectives and in discussion with various international parties for capital and project financing and participation, along with RPI. The Company expects the arrangements with RPI to be concluded in the final quarter of this financial year (31<sup>st</sup> March 2008), and subject to the terms of agreements with RPI, funds becoming available to the Company, and will advise the market of any further developments in this regard. The Company expresses its appreciation for the continued support of Government and Administration.

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**Name** Lyndon Driscoll  
**Director**



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**Name**  
**Secretary** Thomasina Ah Ben



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