

Supersorb Environmental NL, to be renamed

NUCOAL RESOURCES NL

(ABN 29 060 352 990)

Half Year Report
31 December 2008

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SUPERSORB ENVIRONMENTAL NL

ABN 29 060 352 990

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2008.

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Bradley Sounness	Non-Executive Chairman
Martin Shuttleworth	Executive Director
Peter Christie	Non-Executive Director, appointed 28 October 2009

These Financial Statements cover the period from 1 July 2008 to 31 December 2009. On 22 February 2008 the Directors of the Company appointed Kim Strickland, Christopher Williamson and David Hurt of SimsPartners Chartered Accountants (now WA Insolvency Solutions Pty Ltd) as Administrators of the Company. The Company entered into a Deed of Company Arrangement and Reconstruction Deed which saw the current debts extinguished and facilitates the Company being recapitalised and reinstated to quotation on the Australian Securities Exchange (ASX). These Financial Statements report results and the financial position that are not representative of the position of the Company following completion of the recapitalisation and should not be used as the basis for any decision about the Company or its prospects.

For additional information, please refer to Note 8 regarding events subsequent to balance date. These Financial Statements should be read in conjunction with the Prospectus lodged by the Company on 2 December 2009.

Review of Operations

On 22 February 2008 the Directors of the Company appointed Kim Strickland, Christopher Williamson and David Hurt of SimsPartners Chartered Accountants (now WA Insolvency Solutions Pty Ltd) as Administrators of the Company (Administrator). At a meeting on 13 June 2008, the creditors resolved that the Company enter into a Deed of Company Arrangement (DOCA), which was executed on 4 July 2008.

On 21 August 2008, the Company, and the Trustee entered into a Reconstruction Deed pursuant to which Trident Capital agreed to facilitate the recapitalisation of the Company.

During the period the Company has not operated other than to progress the finalisation of the settlement with creditors and recapitalisation of the Company under the Reconstruction Deed.

Results of Operations

The profit after tax for the half year ended 31 December 2008 was \$346,621 (31 December 2007: loss \$159,414).

Subsequent events

Variation to Reconstruction Deed

In a circular to Creditors dated 15 April 2009, Trident has advised that the effect of the downturn in global financial markets and an increase in the number of distressed listed Company's has resulted in the market price for listed company shells significantly decreasing. As a result, Trident submitted a revised recapitalisation proposal.

Under the revised recapitalisation proposal from Trident, the sum of \$400,000 (as compared to the estimated amount of \$866,039 under the initial proposal) is to be made available to the Creditors Trust from the recapitalisation of the Company.

The Directors proposed the variation to the terms of the Reconstruction Deed to incorporate the revised proposal from Trident which also included an extension of time to 31 August 2009 for the recapitalisation to be completed.

At a meeting of Creditors held 23 April 2009, the Creditors resolved to accept the reduced amount payable to the Creditors Trust under Trident's revised proposal and extend the time given to the Company to pay the

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required funds to 31 August 2009.

This agreement was varied further under a Deed of Amendment and Restatement dated 10 November 2009 extending the time given to satisfy the Creditors Trust to 28 February 2010 and to enable the Creditors Trust to accept shares in the Company to the value of \$400,000 rather than cash settlement.

Capital Raising

In September 2009 the Company raised \$1,500,000 from Sophisticated Investors, Professional Investors or otherwise excluded investors under section 708 of the Corporations Act under a Loan Agreement. The funds raised under the Loan Agreement have been used by the Company to pay costs associated with the Reconstruction and recapitalisation and also the costs of the general meeting.

Option to Acquire Doyles Creek Mining Pty Ltd

On 20 November 2009 the Company entered into an Option Agreement to acquire all of the issued capital of Doyles Creek Mining Pty Ltd. Exercise of the option is conditional on the Company raising \$10,000,000 at 20 cents per share and receiving the necessary approvals from the Members, ASX and ASIC. It is also conditional on all of the Company's obligations under the Deed of Company Arrangement and Creditors' Trust Deed being satisfied and all encumbrances being released.

Prospectus

On 2 December 2009 the Company lodged a prospectus with the ASIC for the raising of funds to satisfy the condition precedent to the exercise of the Option Agreement to raise \$10,000,000 and also to enable various issues of shares, once authorised by the Company in General Meeting as set out below. At the date of this report the Company has received commitments for the \$10,000,000 to be raised and is holding in trust for applicants in excess of \$8,000,000 of application funds. The Company has applied to the ASX for reinstatement of its securities to the ASX. Upon satisfaction of any listing conditions the Company's securities will be requoted on the ASX.

General Meeting

At a General Meeting to be held on 29 December 2009, the Company will meet to approve the following:

- The consolidation of capital at 1 for 144;
- Apply an amount of the accumulated losses against the share capital which is considered permanently lost;
- Issue 10,575,000 ordinary shares to Trident or its nominees;
- Issue 3,000,000 ordinary shares to Brad Sounness and 2,000,000 ordinary shares to Martin Shuttleworth or their nominees;
- Issue 5,000,000 ordinary shares to Blue Saint Pty Ltd or its nominees;
- Issue 4,000,000 ordinary shares to the Trustees of the Creditors Trust;
- Issue 15,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed;
- Issue 50,000,000 ordinary shares at 20c each pursuant to the Prospectus;
- Issue 470,000,000 ordinary shares for the acquisition of Doyles Creek Mining Pty Ltd; and
- Change the name of the Company to Nucoal Resources NL.

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Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, PKF Chartered Accountants to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 4 and forms part of this directors' report for the half-year ended 31 December 2008.

Dated in Perth, Western Australia on this 22nd Day of December 2009

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



M Shuttleworth
Director



B Sounness
Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of Supersorb Environmental NL for the half-year ended 31 December 2008, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.



PKF
Chartered Accountants



Conley Manifis
Partner

Dated at Perth, Western Australia on the 22nd day of December 2009.

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CONDENSED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Notes	Parent 31 Dec 2008 \$	Consolidated 31 Dec 2007 \$
Revenue		-	-
Cost of goods sold		-	-
Gross Profit/(Loss)		-	-
Other income		-	61,408
Administration expense		(119,412)	(127,969)
Depreciation		-	(3,455)
Exploration costs write-off		-	(36,025)
Bad debts		-	-
Employee benefit expenses		-	-
Debt forgiveness on amendment of DOCA		466,033	-
Profit/(Loss) before income tax expense		346,621	(106,041)
Income tax expense		-	-
Profit/(Loss) after tax but before profit and loss of discontinued operation and loss on discontinued operation.		346,621	(106,041)
Loss from discontinued operation after income tax		-	(53,373)
Net profit/(loss) for the period		346,621	(159,414)
Basic / Diluted earnings/(loss) per share (cents per share)		0.05	(0.02)
Basic / Diluted earnings/(loss) per share (cents per share) from continuing operations		0.05	(0.02)

The accompanying notes form part of these financial statements

SUPERSORB ENVIRONMENTAL NL
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CONDENSED BALANCE SHEET
AS AT 31 DECEMBER 2008

	Notes	Parent 31 Dec 2008 \$	Consolidated 30 June 2008 \$
Assets			
Current Assets			
Cash and cash equivalents		-	-
Trade and other receivables		10,552	-
Total Current Assets		10,552	-
Non-Current Assets			
Exploration expenditure	2	-	200,000
Total Non-Current Assets		-	200,000
Total Assets		10,552	200,000
Current Liabilities			
Trade and other payables	3	584,571	1,120,640
Total Current Liabilities		584,571	1,120,640
Total Liabilities		584,571	1,120,640
Net Liabilities		(574,019)	(920,640)
Equity			
Contributed equity	4	18,336,409	18,336,409
Accumulated Losses		(18,910,428)	(19,257,049)
NET CAPITAL DEFICIENCY		(574,019)	(920,640)

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

Note	Consolidated		
	Issued Capital \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2007	18,336,409	(22,146,069)	(3,809,660)
Profit attributable to members of the consolidated entity	-	(159,415)	(159,415)
Balance at 31 December 2007	18,336,409	(22,305,484)	3,969,075
	Parent		
	Issued Capital \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2008	18,336,409	(19,257,049)	(920,640)
Profit/(Loss) attributable to members of the parent entity	-	346,621	346,621
Balance at 31 December 2008	18,336,409	(18,910,428)	(574,019)

The accompanying notes form part of these financial statements

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CONDENSED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	Note	Parent 31 Dec 2008 \$ Inflows/(Outflows)	Consolidated 31 Dec 2007 \$ Inflows/(Outflows)
Cash flows from(used in) operating activities			
Receipts from customers		-	149,670
Payments to suppliers and employees		-	(318,038)
Payment for exploration and evaluation of tenements		-	(36,025)
Interest received		-	46,731
Interest paid		-	-
Net cash provided by /(used in) operating activities		-	(157,662)
Cash flows from investing activities			
Receipt from sale of plant and equipment		-	125,000
Payments for purchase of investments		-	(300,000)
Net cash provided by/(used in) investing activities		-	(175,000)
Cash flows from financing activities			
Proceeds from borrowings		-	19,923
Other loans		-	(2,750)
Hire purchase repayments		-	(3,476)
Net cash provided by /(used in) financing activities		-	13,697
Net increase/(decrease) in cash held		-	(318,965)
Cash at 1 July		-	374,292
Cash at 31 December		-	55,327

The accompanying notes form part of these financial statements

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board.

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2008 and any public announcements made by Supersorb Environmental NL in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as in the full financial report.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2008 annual financial report for the financial year ended 30 June 2008.

In the half-year ended 31 December 2008, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2008.

It has been determined by the Group that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to Group accounting policies

(b) Going concern

At 31 December 2009, the Company had;

- a net deficiency of assets of \$574,019,
- no cash or revenue generating assets,
- progressed in to Administration and a Deed of Company Arrangement,
- insufficient contractual evidence to support the ability of the company to raise sufficient capital. This position has been addressed through the recapitalisation of the Company as set out in note 8, Subsequent Events, and summarised below.

On 22 February 2008 the Directors of the Company appointed Kim Strickland, Christopher Williamson and David Hurt of SimsPartners Chartered Accountants (now WA Insolvency Solutions Pty Ltd) as Administrators of the Company (Administrator). At a meeting on 13 June 2008, the creditors resolved that the Company enter into a Deed of Company Arrangement (DOCA), which was executed on 4 July 2008.

Reconstruction Deed

On 21 August 2008, the Company, and the Trustee entered into a Reconstruction Deed, pursuant to which Trident Capital Pty Ltd (Trident) agreed to facilitate the recapitalisation of the Company.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

In a circular to Creditors dated 15 April 2009, Trident has advised that the effect of the downturn in global financial markets and an increase in the number of distressed listed Company's has resulted in the market price for listed company shells significantly decreasing. As a result, Trident submitted a revised recapitalisation proposal.

Under the revised recapitalisation proposal from Trident, the sum of \$400,000 (as compared to the estimated amount of \$866,039 under the initial proposal) is to be made available to the Creditors Trust from the recapitalisation of the Company.

The Directors proposed the variation to the terms of the Reconstruction Deed to incorporate the revised proposal from Trident which also included an extension of time to 31 August 2009 for the recapitalisation to be completed.

At a meeting of Creditors held 23 April 2009, the Creditors resolved to accept the reduced amount payable to the Creditors Trust under Trident's revised proposal and extend the time given to the Company to pay the required funds to 31 August 2009.

This agreement was varied further under a Deed of Amendment and Restatement dated 10 November 2009 extending the time given to satisfy the Creditors Trust to 28 February 2010 and to enable the Creditors Trust to accept shares in the Company to the value of \$400,000 rather than cash settlement.

Capital Raising

In September 2009 the Company raised \$1,500,000 from Sophisticated Investors, Professional Investors or otherwise excluded investors under section 708 of the Corporations Act under a Loan Agreement. The funds raised under the Loan Agreement have been used by the Company to pay costs associated with the Reconstruction and recapitalisation and also the costs of the general meeting.

Option to Acquire Doyles Creek Mining Pty Ltd

On 20 November 2009 the Company entered into an Option Agreement to acquire all of the issued capital of Doyles Creek Mining Pty Ltd. Exercise of the option is conditional on the Company raising \$10,000,000 at 20 cents per share and receiving the necessary approvals from the Members, ASX and ASIC. It is also conditional on all of the Company's obligations under the Deed of Company Arrangement and Creditors' Trust Deed being satisfied and all encumbrances being released.

Prospectus

On 2 December 2009 the Company lodged a prospectus with the ASIC for the raising of funds to satisfy the condition precedent to the exercise of the Option Agreement to raise \$10,000,000 and also to enable various issues of shares, once authorised by the Company in General Meeting as set out below. At the date of this report the Company has received commitments for the \$10,000,000 to be raised and is holding in trust for applicants in excess of \$8,000,000 of application funds. The Company has applied to the ASX for reinstatement of its securities to the ASX. Upon satisfaction of any listing conditions the Company's securities will be requoted on the ASX.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

General Meeting

At a General Meeting to be held on 29 December 2009, the Company will meet to approve the following:

- The consolidation of capital at 1 for 144;
- Apply an amount of the accumulated losses against the share capital which is considered permanently lost;
- Issue 10,575,000 ordinary shares to Trident or its nominees;
- Issue 3,000,000 ordinary shares to Brad Sounness and 2,000,000 ordinary shares to Martin Shuttleworth or their nominees;
- Issue 5,000,000 ordinary shares to Blue Saint Pty Ltd or its nominees;
- Issue 4,000,000 ordinary shares to the Trustees of the Creditors Trust;
- Issue 15,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed;
- Issue 50,000,000 ordinary shares at 20c each pursuant to the Prospectus;
- Issue 470,000,000 ordinary shares for the acquisition of Doyles Creek Mining Pty Ltd; and
- Change the name of the Company to Nucoal Resources NL.

Based on the post balance date events above, the directors are satisfied that the going concern basis of preparation is appropriate. The financial report has therefore been prepared on a going concern basis which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

(c) Principles of consolidation

The consolidated financial statements comprise the financial statements of Supersorb Environmental NL and its subsidiaries as at 31st of December 2007 (the Consolidated Entity). The financial statements for 31 December 2008 have not been prepared on a consolidated bases as there were deemed to be no subsidiary companies. For further detail please refer to Notes 2 and 6.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the dated on which the control is transferred out of the Consolidated entity.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

Minority interests represent the portion of profit and loss and net assets in subsidiaries not held by the Consolidated Entity and are presented separately in the income statement and within equity in the consolidated balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 2: EXPLORATION EXPENDITURE

	Consolidated	
	31 December	30 June
	2008	2008
	\$	\$
Exploration expenses capitalised	-	342,423
Impairment	-	(142,423)
	-	200,000

Supersorb Environmental NL's 100% investment in the unlisted shares of Supersorb Minerals NL were transferred to the Creditors Trust in line with the entities Deed of Company Arrangement on 4 July 2008.

On 4 July 2008, Supersorb Environmental NL acquired 100% share interest in Friends Exploration Pty Ltd. Consideration of \$200,000 was to be paid to acquire such shares as part of the Reconstruction Deed. This transaction was accounted for as an adjusting subsequent event given the presence of these arrangements at 30 June 2008.

At a meeting of Creditors held on 23 April 2009, the Creditors resolved to accept a series of variations to the Reconstruction Deed. Under the Deed of Variation the shares in Friends Exploration Pty Ltd were no longer to be acquired by the Company, instead being transferred to the Creditors' Trust for the benefit of the creditors.

NOTE 3: PAYABLES

	Consolidated	
	31 December	30 June
	2008	2008
	\$	\$
Current		
Creditors	104,106	
Audit Fees	36,174	-
Accruals	40,523	54,607
Loan	3,768	-
Creditors Trust Settlement fee	400,000	1,066,033
	584,571	1,120,640

NOTE 4: ISSUED CAPITAL

	Consolidated	
	31 December	30 June
	2008	2008
	\$	\$
a. Issued share capital		
<i>Ordinary shares</i>		
721,663,870 Issued and fully paid shares (30 June 2008 – 721,663,870)	18,336,409	18,336,409
	18,336,409	18,336,409

NOTE 5: DIVIDENDS

No dividends were paid or declared during the period.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

NOTE 6: CONTROLLED ENTITIES

Interest Held	
31 December 2008	30 June 2008
%	%
<hr/>	
-	100

Supersorb Environmental NL's Interests in controlled entities

Friends Exploration Pty Ltd

In accordance with the initial Reconstruction Deed entered into on 4 July 2008, Supersorb Environmental NL was to acquire a 100% share interest in Friends Exploration Pty Ltd. Consideration of \$200,000 was to be paid to acquire such shares as part of the Reconstruction Deed and as further detailed in note 7 Subsequent Events. This transaction was accounted for as a adjusting subsequent event in the Financial Report for the year ended 30 June 2008 given the presence of these arrangements at 30 June 2008. The acquisition did not proceed to settlement.

Under the revised proposal which was accepted by creditors at a meeting held on 23 April 2009, it was agreed that the shares in Friends Exploration would be transferred to the Creditors Trust for the benefit of Creditors. Further detail on the recapitalisation is contained in note 7 Subsequent Events. This transaction was accounted for as a adjusting subsequent event in the Financial Report for the year ended 30 June 2009 given the acceptance of the revised proposal occurred prior to, and existed at 30 June 2009.

NOTE 7: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

On 18 March 1999 Supersorb Environmental NL entered in to an agreement with Polaris Metals NL, the agreement was in connection to the performance of a Joint Venture known as Bullfinch North (the Bullfinch Royalty).

The terms of the agreement are for payment of a \$250,000 royalty payment by Polaris to Supersorb upon the commissioning of a commercial operation that proposes to mine minerals originating from the Tenement and a royalty per tonne of gold or nickel ore mined and treated from within the Tenement, to which Supersorb is the beneficial owner.

Under the terms of the Reconstruction Deed (as amended) the Bullfinch Royalty will be transferred to the Creditors Trust, with any future benefit from the Royalty being for the benefit of creditors.

The company has no contingent liabilities.

NOTE 8: SUBSEQUENT EVENTS

On 22 February 2008 the Directors of the Company appointed Kim Strickland, Christopher Williamson and David Hurt of SimsPartners Chartered Accountants (now WA Insolvency Solutions Pty Ltd) as Administrators of the Company (Administrator). Subsequent to the reporting date the following significant events occurred.

Variation to Reconstruction Deed

In a circular to Creditors dated 15 April 2009, Trident has advised that the effect of the downturn in global financial markets and an increase in the number of distressed listed Company's has resulted in the market price for listed company shells significantly decreasing. As a result, Trident submitted a revised recapitalisation proposal.

Under the revised recapitalisation proposal from Trident, the sum of \$400,000 (as compared to the estimated amount of \$866,039 under the initial proposal) is to be made available to the Creditors Trust from the recapitalisation of the Company.

The Directors proposed the variation to the terms of the Reconstruction Deed to incorporate the revised proposal from Trident which also included an extension of time to 31 August 2009 for the recapitalisation to be completed.

At a meeting of Creditors held 23 April 2009, the Creditors resolved to accept the reduced amount payable to the Creditors Trust under Trident's revised proposal and extend the time given to the Company to pay the required funds to 31 August 2009.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2008

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Capital Raising

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General Meeting

At a General Meeting to be held on 29 December 2009, the Company will meet to consider approval of the following:

- The consolidation of capital at 1 for 144;
- Apply an amount of the accumulated losses against the share capital which is considered permanently lost;
- Issue 10,575,000 ordinary shares to Trident or its nominees;
- Issue 3,000,000 ordinary shares to Brad Sounness and 2,000,000 ordinary shares to Martin Shuttleworth or their nominees;
- Issue 5,000,000 ordinary shares to Blue Saint Pty Ltd or its nominees;
- Issue 4,000,000 ordinary shares to the Trustees of the Creditors Trust;
- Issue 15,000,000 ordinary shares to investors on conversion of the loan under the Convertible Loan Deed;
- Issue 50,000,000 ordinary shares at 20c each pursuant to the Prospectus;
- Issue 470,000,000 ordinary shares for the acquisition of Doyles Creek Mining Pty Ltd; and
- Change the name of the Company to Nucoal Resources NL.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUPERSORB ENVIRONMENTAL NL

Report on the Financial Report

We have reviewed the accompanying half-year financial report of Supersorb Environmental NL, 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 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 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 an Interim Financial Report 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 Supersorb Environmental NL, 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*.

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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 Supersorb Environmental NL 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 Standard AASB 134 Interim Financial Reporting and *Corporations Regulations 2001*.



PKF
Chartered Accountants



Conley Manifis
Partner

Dated at Perth, Western Australia on the 22ND day of December 2009.

SUPERSORB ENVIRONMENTAL NL
ABN 29 060 352 990

DIRECTORS'S DECLARATION

The directors of Supersorb Environmental NL declare that:

- (a) the financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - i. give a true and fair view of the financial position as at the 31 December 2008 and the performance for the half-year ended on that date of the Company; and
 - ii. comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) whilst drawing attention to the disclosure in note 1(b) of the financial report, 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 report is signed in accordance with a resolution of the Board of Directors.



M Shuttleworth
Director

Dated in Perth, Western Australia on this 22nd day of December 2009



B Sounness
Director

Dated in Perth, Western Australia on this 22nd day of December 2009