29 March 2007

Novera Energy Limited ('Novera' or 'the Company')
PRELIMINARY RESULTS FOR THE YEAR ENDED 31 DECEMBER 2006

Novera, one of the leading quoted independent UK renewable energy companies, announces its preliminary results for the 12 months to 31 December 2006.

On 21 December 2006 Novera announced the acquisition of the remaining 50 per cent of its Joint Venture, Novera Macquarie Renewable Energy ('NMRE') from Macquarie International Infrastructure Fund ('Macquarie'). The acquisition was completed on 22 January 2007, and financed through funds raised by a Placing of £38 million.

The 2006 financial highlights of the business are outlined below both for the Group during 2006 and for the current Group structure including the 100 per cent consolidation of NMRE as explained in the footnote below.

FINANCIAL HIGHLIGHTS (NOVERA ENERGY LIMITED)

- Revenue increased 22 per cent to £2.2 million (2005: £1.8 million)
- Cash of £2.5 million received in the year from Joint Venture (£1.6 million distribution, £0.9 million return of capital); (2005: £1.2 million distribution, £3.1 million additional investment)
- Investment in development pipeline increased from £1.5 million to £2.4 million
- Loss of £3.3 million (2005: Loss of £2.4 million)

FINANCIAL HIGHLIGHTS* (NMRE 100 per cent CONSOLIDATED)

- Revenue increased 22 per cent to £32.5 million (2005: £26.7 million)
- EBITDA increased 29 per cent to £9.7 million (2005: £7.5 million)
- Post acquisition cash balance was £18.9 million, with a net debt position of £73.3 million

OPERATIONAL HIGHLIGHTS (NMRE 100 per cent CONSOLIDATED)

- Generation increased by 8 per cent to 573 GWh
- Good progress towards five year goal of developing a wind portfolio of 250 MW:
    - Mynydd Clogau wind farm (15 MW) commissioned ahead of schedule in March 2006
    - Planning approval received in February 2007 to build a wind farm at Lissett (24 MW)
    - Mountboy wind development site (6 MW) submitted into planning in January 2007
    - Feasibility studies completed on 10 further sites with potential capacity of 166 MW
    - Further portfolio of projects with a potential capacity of 402 MW
    - Site searches underway targeting a further 300 MW
- Planning permission for 10 MW East London Sustainable Energy Facility ('ELSEF') granted.

* The Directors have presented illustrative pro-forma information about the Group including NMRE to show the historic trading of the business which comprise the Group as of March 2007 that is including 100 per cent of NMRE. During 2005 and 2006 the Group actually owned 50 per cent of NMRE.

Commenting on the results, David Fitzsimmons, CEO:

"Novera continues to make excellent progress. The acquisition of the remaining 50 per cent of our operating Joint Venture is an important milestone for the Company, as was the granting of planning approval for the Lissett Airfield wind farm. Last year's operational performance was very encouraging and we remain confident in our ability to meet or exceed the synergy targets described at the time of the acquisition, as well as to deliver our target of 250 MW wind capacity by 2011."

Enquiries:

Novera Energy Limited 020 7845 9720

David Fitzsimmons, Chief Executive Officer

Rory Quinlan, Chief Financial Officer

Gavin Anderson 020 7554 1440

Ken Cronin / Kate Hill / Janine Brewis

Notes to editors:

Novera Energy Limited ('Novera' or 'the Company') (AIM: NVE) is a leading independent UK renewable energy producer. Novera has a portfolio of landfill gas, waste and wind assets and projects.

Asset	Operational Sites	MW Operational	MW Construction/ Development	MW Consented	MW Planning	MW Pre-Planning	MW Pre-Feasibility	MW Portfolio Capacity
Wind	1	15*	-	24	6	166	402	613
LFG*	46	89	5	-	-	-	-	94
Hydro*	10	16	-	-	-	-	-	16
Industrial*	1	4	-	-	-	-	-	4
ELSEF	-	-	-	10	-	-	-	10
Total	58	124	5	34	6	166	402	737

** 50 per cent owned at 31 December 2006; now 100 per cent owned by Novera*

Chairman's Statement

In 2006, renewable energy for the first time became an important part of the overall UK energy mix, as highlighted by both the capacity built and the high profile support from the Government as part of the UK Energy Review.

Without question renewable energy is here to stay and Novera will continue to make a significant contribution.

The year also marked a massive step forward in Novera's long-term strategy of becoming the UK's leading independent developer and owner of renewable assets. This was underlined right at the end of the year by the announcement of the acquisition of the remaining 50 per cent of our Joint Venture with Macquarie, backed by a share placement raising £38 million.

Novera now owns and operates mature, proven and low risk renewable energy generating assets from landfill gas, hydro and wind power. These assets performed well during the year, with generation up 8 per cent to 573 GWh from 530 GWh, and revenue up 22 per cent to £30.4 million from £ 24.9 million. Novera's share of this revenue during 2006 was 50 per cent.

Novera also made good progress in our development activities. We successfully gained planning approval for our 24 MW Lissett Airfield wind farm in Yorkshire in February 2007, and our next wind development site, Mount Boy in Scotland (6 MW) was submitted into planning in January 2007. In addition, we were granted planning permission for our 10 MW East London Sustainable Energy Facility ('ELSEF') in September 2006, which, if progressed through to construction, will convert biomass fuel from residual household waste into renewable energy.

As the final step in our migration from Australia to the UK, the Company wishes to re-incorporate in the United Kingdom. This will reflect the Company's UK business focus. It will involve the establishment of a new UK holding company for the Group, with all existing shareholders exchanging their shares in the Company for shares in the new UK holding company. This Company will be quoted on AIM in place of the existing Australian registered company. Details are contained in the notice of the AGM. No dividend was declared or paid during 2006 as the Company focuses on investing in the development pipeline.

I have taken the decision to step down as Chairman due to increased other commitments, but I am delighted that Roy Franklin has agreed to join your Board as my replacement. 2007 will be, I am sure, another successful year for the Company. All that remains is for me to thank all the staff that have contributed to such an excellent performance and wish Roy, them, and you the Shareholders every success in the future.

John Brown
Chairman

Chief Executive Officer's Review

2006 was a pivotal year in the growth history of Novera, most notably with the acquisition of the remaining 50 per cent of our Joint Venture with Macquarie which was announced on 21 December 2006 and completed on 22 January 2007. The acquisition was a transformation for the business, combining 100 per cent ownership of the operational assets with our strong growth pipeline. The acquisition was financed through funds raised by a placing of £38 million, and we were delighted with the response from both new and existing shareholders to this equity raising.

This year saw operational revenue increase by 22 per cent. Significant progress was made in the development of our wind portfolio towards our goal of having 250 MW in operation by 2011. Planning approval was achieved for the Lissett Airfield wind farm in February 2007. Mount Boy, our next site, was submitted into planning in January 2007. Beyond this, we have identified sites with 568 MW of potential wind capacity. In September 2006, planning consent was achieved for our ELSEF energy from waste facility. We have continued our transition to the UK: de-listing from the Australian Stock Exchange on 4 April 2006; raising £38 million on AIM in December 2006; and commencing proceedings to re-incorporate in the UK. We also strengthened our team in the UK.

The past 12 months have seen a significant increase in attention paid to climate change worldwide. Economist Sir Nicholas Stern reviewed the economic impact of climate change and concluded that "taking strong action to reduce emissions must be viewed as an investment, a cost incurred now and in the coming few decades, to avoid the risks of very severe consequences in the future".

Worldwide, Governments are increasingly implementing policies designed to address the issue of climate change. In the UK the Government published the results of its Energy Review in July 2006. The review recommended an increase in the target for UK renewable power from 15 per cent of total supply to 20 per cent by 2020 and that the Renewable Obligation Certificate regime be amended to assist in the delivery of that target. The Government is currently consulting on the detailed mechanisms to deliver the target.

STRATEGY

Novera's strategy is to develop and operate a competitive portfolio of renewable power assets in the UK. The UK Government's Energy Review targets a doubling of renewable energy production between now and 2010 and a further doubling by 2020. Novera will develop a diversified portfolio with a range of competitive energy sources. Currently the majority of our existing capacity is fuelled by landfill gas. Over the next few years, most of our growth will come from onshore wind, for which we have a target of 250 MW by 2011. Beyond that, we expect to develop capacity for which the fuel will be derived from waste. This technology will also benefit from the Government policy (European and UK) to divert waste from landfill. Developing 250 MW of wind power and our first energy from waste plant will increase our capacity from 124 MW to 365 MW, with a target date of 2011.

The renewable energy industry in the UK is young and growing. We believe that benefits will accrue from scale and consolidation. The next few years will offer the opportunity to grow through acquisition in addition to project development.

Implementation of our strategy depends on the successful operation of our existing assets and the development of our pipeline of new projects, more fully described in the next section.

OPERATIONS

Generation

During 2006 NMRE's output increased by 8 per cent from 530 GWh to 573 GWh, revenue by 22 per cent from £24.9 million to £30.4 million and EBITDA by 47 per cent from £8.8 million to £12.9 million. Novera's share of this in 2006 was 50 per cent.

Electricity prices rose sharply in early 2006 due to concern over available UK generating capacity and increased natural gas prices. Novera was able to gain a significant advantage from this by maximising the generation from the sites on a 1-year Renewable Obligation Power Purchase Agreement. The average sales price that we achieved across the portfolio increased to 5.32p/KWh in 2006 (2005: 4.72p/KWh).

In 2006, NMRE generated 470 GWh from landfill gas, an increase of 6 per cent from 442 GWh in 2005. A programme of engine moves and new engines enabled the generation capacity to be increased at Blackborough End, Bryn Pica, Chapel Farm, Nantycaws and Brittons Hall Farm/Roxwell. A replacement 400 kW unit was also installed at Aveley which better matches the current gas yield.

The 16 MW hydro power portfolio performed well, generating 49 GWh (2005: 47GWh).

The Mynydd Clogau wind farm (15 MW) achieved its first generating revenue ahead of schedule and on budget in January 2006, generating 28 GWh in the year. Since handover following full commissioning of the site in March, the site has achieved an availability of greater than 98 per cent. Production has exceeded anticipated performance by some 4 per cent, primarily in reflection of above average wind conditions in 2006.

Water Services

In addition to generating renewable power, Novera Energy is the UK's largest independent operator of sludge drying and dewatering facilities. We have managed the total operations and maintenance of Kelda Water's three sludge drying and dewatering facilities in Cardiff, Newport and Port Talbot for over nine years and we have a long term contract taking us through to 2010. In addition to these facilities, we operate and maintain plants both for Thames Water and United Utilities. Revenue from the business in 2006 was £2.2 million, an increase of 22 per cent from 2005.

DEVELOPMENT

Key to the success of our asset development activities is site selection, obtaining planning consent and the commercialisation of consented sites.

Wind

In 2006, we strengthened our wind team and made tangible progress towards our five year goal of having 250 MW in operation.

We ended 2006 with an inventory of sites with a total potential of 613 MW. In addition, we have, at the start of 2007, initiated a further site search campaign, with a target of a further 300 MW. From this portfolio of over 900 MW, we plan to deliver at least 250 MW into operation by the end of 2011.

The 613 MW potential consists of sites at various stages of development. Mynydd Clogau (15 MW) in Wales was commissioned in 2006. The 24 MW wind farm at Lissett Airfield in Yorkshire received planning approval in February 2007. Construction is expected to commence later this year with commercial operation commencing during the second half of 2008. Mount Boy in Scotland (6 MW) is currently in the formal planning process and the planning application was submitted in January 2007.

We have a further 166 MW at the 'pre-planning' stage. For each of these sites, we have completed a scoping study confirming suitability for a wind farm, have an access agreement with the land owner and have initiated a 12 month bird survey (a pre-requisite to submitting a planning application). Beyond this, 402 MW are in the 'appraisal' stage, during which we are undertaking studies to confirm the sites' suitability as wind farms and to address key implementation issues.

Energy from Waste
Planning permission for the 10 MW East London Sustainable Energy Facility ('ELSEF') plant, to be located at Ford's site at Dagenham, was granted in September 2006. Integrated Pollution Prevention and Control authorisation to operate the facility was also granted by the Environment Agency during September 2006. The next step is to achieve financial close after which we intend to own and operate the plant.

If progressed through to construction, ELSEF will produce renewable energy from the conversion of waste derived from biomass fuel left after recycling and composting of household waste. The UK market is expected to provide the industry opportunity for well over 500 MW of renewable energy using this waste biomass fuel.

HEALTH, SAFETY AND ENVIRONMENT

Novera aims to ensure the highest standard of health, safety and environmental performance. During 2006 we had two lost-time accidents. Our target is nil and we will strive to achieve this going forward. In 2006 we had no breaches of environmental standards. We are committed to maintaining and improving our environmental performance record and devising new ways to deliver cost effective renewable energy to the communities we serve.

EMPLOYEES

The Company's workforce now numbers 143. I would like to take this opportunity to thank the staff for all their efforts, particularly in recent months with the transition to a consolidated Group and I look forward to another successful year with you all.

OUTLOOK

In 2006, the acquisition of the remaining 50 per cent of our operational Joint Venture, together with the progress we have made on our development projects, provide a strong platform for growth in future years.

Our existing operations are on target to deliver the performance improvements expected at the time we acquired the remaining 50 per cent. We expect to start construction on the Lissett Airfield wind farm later this year and continue to advance projects to deliver on our target of 250 MW.

David Fitzsimmons
Chief Executive Officer

Chief Financial Officer's Review

On 21 December 2006 Novera announced the acquisition of the remaining 50 per cent of our Joint Venture, NMRE, from Macquarie, with the deal completing on 22 January 2007. The acquisition was financed through funds raised by a Placing of £38 million at 55p, bringing our total shares issued to 124 million.

In addition to this significant transaction, 2006 saw Novera make solid progress, both operationally and in our development pipeline. NMRE generation revenue increased 22 per cent to £30.4 million (Novera's share in 2006 was £15.2 million) and EBITDA increased by 47 per cent from £8.8 million to £12.9 million. Novera's share of this in 2006 was 50 per cent. The investment in our development pipeline increased to £2.4 million from £1.5 million, all of which was expensed in the year.

Revenue Analysis

	100% NMRE Revenue 2006 £ million	Novera 50% share of NMRE Revenue 2006 £ million	100% NMRE Revenue 2005 £ million	Novera 50% share of NMRE Revenue 2005 £ million	Variance 2006 to 2005
LFG	24.3	12.2	20.3	10.2	+20%
Hydro	3.1	1.5	2.8	1.4	+11%
Wind	2.0	1.0	0.7	0.3	+185%
Industrial	1.0	0.5	1.1	0.6	-9%
	30.4	15.2	24.9	12.5	+22%

The Income Statement presents the Group's results in accordance with AIFRS, whereby our 50 per cent share of NMRE's profit is equity accounted, therefore Novera's share of NMRE's revenue is not reflected as a line item in the Income Statement.

Revenue £2.2 million (100 per cent Novera owned)
Revenue from our thermal processing of sewage sludge increased from £1.8 million in 2005 to £2.2 million in 2006.

Other Income £1.1 million (100 per cent Novera owned)
Advisory fees of £1.0 million were received in the year from DEFRA in relation to the development of the Energy from Waste Facility in East London.

Analysis of Income Statement

In 2006 we increased our investment in development projects from £1.5 million to £2.4 million providing us with a significant pipeline of growth into the future. All our development investment was expensed in the year. Tangible progress resulted from the investment, with positive planning decisions for ELSEF and Lissett wind farm, and a further wind farm (Mountboy) submitted into planning in January 2007.

Investment in development	2006 £'000	2005 £'000
Wind	1,098	762
Energy from Waste	1,228	656
Landfill gas	79	95
	2,405	1,513

The Income Statement of our joint venture, NMRE is shown at Note 5. NMRE generated an EBITDA of £12.9 million in 2006. After depreciation, amortisation, interest costs and a tax credit NMRE generated a profit of £0.07 million for the year, with Novera equity accounting a 50 per cent share of the profit of £0.04 million.

During 2006 NMRE sold its German wind farms, generating a gain on sale of £0.4 million (Novera share £0.2 million). The Tower Colliery contract was terminated in September 2006 coinciding with the closure of the mine, as expected, resulting in a write down of the assets associated with the contract of £1.2 million (Novera share £0.6 million). A review of the LFG engine fleet was conducted, resulting in a decision to sell five engines, the engines were written down by £0.6 million to recoverable value (Novera share £0.3 million). This will allow the Company to achieve its revenue targets while minimising future engine maintenance costs. NMRE recognised a tax credit in the year of £1.7 million (Novera share £0.8 million) resulting from a change to utilisation of losses and capital allowances in the tax returns relating to prior periods, and also the tax effect of the asset write downs relating to the current period.

Cash Distribution Received from Joint Venture
A total of £1.6 million in cash distributions were received from NMRE for 2H 2005 (£0.4 million) and 1H 2006 (£1.2 million), both were in line with expectations.

Cash Flow and Financial Position
Cash held by the Company at 31 December 2006 was £3.7 million. There was a net cash inflow of £0.9 million resulting from the sale of the German wind farms, less investment in capital expenditure projects.

Novera has a strong financial position, with total assets at 31 December of £20.4 million, represented by cash £3.7 million, an investment in NMRE of £14.6 million, receivables of £2.1 million. Total liabilities were £4.7 million, of which £2.8 million related to deferred revenue.

Post balance sheet events
As described below, on 22 January 2007 Novera Energy Limited acquired the remaining 50 per cent of NMRE.

Post acquisition the cash balance of the combined Group was £18.9 million, with a net debt position of £73.3 million.

Rory Quinlan
Chief Financial Officer

Acquisition of remaining 50 per cent of NMRE

The acquisition of the remaining 50 per cent of NMRE from Macquarie was announced on 21 December 2006 and completed on 22 January 2007. The purchase price was £30 million.

The acquisition was financed through a Placing of 69 million shares, raising a total of £38 million, with a Placing Price of 55p. Immediately following the Placing the number of ordinary shares in issue was 124 million. Post acquisition the cash balance of the combined Group was £18.9 million, with a net debt position of £73.3 million.

The Income Statement presents the results in accordance with AIFRS which is to equity account for our 50 per cent interest in NMRE. In order to explain the significance of the impact of the acquisition on future results of the combined Group, set out below is the Income Statement of Novera and NMRE prepared on a pro-forma 100 per cent consolidated basis, as if Novera had owned 100 per cent of NMRE from 1 January 2005 as additional information for shareholders. 1 January 2005 has been selected as a start date to allow comparison between 2005 and 2006.

Pro forma Income Statement

	2006 £'000	2005 £'000
Revenue	32,535	26,726
Cost of sales	(17,921)	(15,617)
Gross profit	14,614	11,109
Other income	1,133	1,771
Development costs	(2,405)	(1,513)
Administration expense	(3,671)	(3,849)
EBITDA	9,671	7,518

The balance sheet of the combined Group is also fundamentally changed, with £70 million of fixed assets and £43 million of intangible assets coming onto the balance sheet on acquisition date, representing our provisional assessment of asset values. In addition the NMRE bank loans of £92 million were consolidated into the Novera balance sheet. These loans are on a project finance basis with no recourse to Novera.

The asset portfolio of the enlarged Group is as follows:

Asset	Operational Sites	MW Operational	MW Construction/ Development	MW Consented	MW Planning	MW Pre-Planning	MW Pre-Feasibility	MW Portfolio Capacity
Wind	1	15	-	24	6	166	402	613
LFG	46	89	5	-	-	-	-	94
Hydro	10	16	-	-	-	-	-	16
Industrial	1	4	-	-	-	-	-	4
ELSEF	-	-	-	10	-	-	-	10
Total	58	124	5	34	6	166	402	737

Novera Energy Limited
Income Statement
For the year ended 31 December 2006

	Notes	Consolidated 2006 £'000	2005 £'000
Revenue (continuing operations)		2,183	1,788
Cost of sales		(1,881)	(1,516)
Gross Profit		**302**	**272**
Other income	2	1,133	1,771
Development costs		(2,405)	(1,513)
Administration expenses		(2,282)	(1,854)
Operating Loss		**(3,252)**	**(1,324)**
Interest payable and similar charges		(2)	-
Interest receivable		202	249
Shares of net profit/(loss) of a joint venture entity accounted for using the equity method		36	(1,373)
Loss before income tax		**(3,016)**	**(2,448)**
Taxation		-	-
Loss for the year		**(3,016)**	**(2,448)**
Loss attributable to equity shareholders		**(3,016)**	**(2,448)**
Earnings per share for loss attributable to equity shareholders			
		p	p
Basic loss per share		(5.5)	(4.5)
Diluted loss per share		(5.5)	(4.5)

Novera Energy Limited
Balance Sheet
As at 31 December 2006

	Notes	Consolidated 2006 £'000	2005 £'000
ASSETS			
Non-current assets			
Property, plant & equipment		76	87
Investments accounted for using the equity method	5	14,608	15,320
Receivables		785	861
Total non-current assets		15,469	16,268
Current assets			
Trade and other receivables		1,267	1,056
Cash and cash equivalents		3,693	3,865
Total current assets		4,960	4,921
Total assets		**20,429**	**21,189**
LIABILITIES			
Current liabilities			
Trade and other payables		1,982	1,393
Deferred revenue		154	154
Total current liabilities		2,136	1,547
Non-current liabilities			
Deferred revenue		2,605	2,776
Total non-current liabilities		2,605	2,776
Total liabilities		**4,741**	**4,323**
Net assets		**15,688**	**16,866**
EQUITY			
Contributed equity		32,243	32,211
Reserves		533	(1,273)
Accumulated losses		(17,088)	(14,072)
Total equity		**15,688**	**16,866**

Novera Energy Limited
Statement of Changes in Equity
For the year ended 31 December 2006

	Consolidated 2006 £'000	2005 £'000
Total equity at the beginning of the financial year	16,866	13,959
Movement in employee share payment reserve	86	14
Movement in share of JV reserve	1,720	(1,287)
Net income recognised directly in equity	1,806	(1,273)
Loss for the year	(3,016)	(2,448)
Total recognised income and expense for the year	(1,210)	(3,721)
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	32	6,628
Total equity at the end of the financial year	15,688	16,866
Total recognised income and expense for the year is attributable to:		
Members of Novera Energy Limited	(1,210)	(3,721)

Novera Energy Limited
Cash Flow Statement
For the year ended 31 December 2006

	Notes	**Consolidated 2006 £'000**	**2005 £'000**
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		3,624	2,096
Payments to suppliers and employees (inclusive of goods and services tax)		(3,826)	(3,020)
		(202)	(924)
Interest received		98	127
Development costs		(2,405)	(1,331)
Distribution received from joint venture		1,600	1,220
Net cash outflow from operating activities	**4**	**(909)**	**(908)**
Cash flows from investing activities			
Payments for property, plant & equipment		(22)	(96)
Receipts / (Payments) to decrease / increase the investment in NMRE		870	(3,136)
Proceeds from vending of business		(300)	
Proceeds from vending of assets		181	181
Transaction costs of Mynydd Clogau		-	(360)
(Repayment of related party borrowings)/Loans to related parties		(24)	234
Net cash inflow / (outflow) from investing activities		**705**	**(3,177)**
Cash flows from financing activities			
Proceeds from issues of shares and other securities converted to equity-net of transaction costs		32	6,628
Net cash inflow from financing activities		**32**	**6,628**
Net (decrease)/increase in cash and cash equivalents		(172)	2,543
Cash at the beginning of the financial year		3,865	1,156
Effects of exchange rates on cash		-	166
Cash at end of year		**3,693**	**3,865**
Reconciliation of cash balances			
Cash at bank		**3,693**	**3,865**

Novera Energy Limited Notes to the preliminary accounts for the year ended 31 December 2006

1. The financial information shown for the years ended 31 December 2006 and 2005 set out above does not constitute statutory accounts but is derived from those accounts. The results have been prepared using accounting policies consistent with those used in the preparation of the statutory accounts. The financial information for the years ended 31 December 2006 and 2005 has been extracted from the statutory accounts. The information for 2005 has been restated: (a) to reclassify £122,000 discounted receivable from revenue to finance income, and (b) to reclassify JV reserve of £1,287,000 from investment accounted for using the equity method to equity.
Copies of this announcement are available at the head offices of the Company (30 Bedford Street, London, WC2E 9ED), and on the Company website (www.noveraenergy.com).

2. Other Income

	2006	**2005**
	£'000	**£'000**
Advisory fees	980	673
Release of deferred revenue	153	161
Net proceeds of sale of Mynydd Clogau	-	937
	1,133	1,771

3. Dividends

There were no dividends provided or paid during the year.

4. Reconciliation of (Loss)/Profit from Ordinary Activities after Income Tax to Net Cash Flow

	2006	2005
	£'000	£'000
Loss from ordinary activities after income tax	(3,016)	(2,448)
Share of (profits) / losses from JV not received as distributions	(36)	1,373
Distributions received	1,600	1,220
Depreciation	33	29
Share based payments expense	86	14
Completion payment	25	-
Release of WRG discounted income	(104)	(123)
Release of deferred revenue	(153)	(161)
Foreign exchange gain	9	116
Gain on sale of Mynyyd Clogau wind farm	-	(937)
(Increase) in trade & other receivables	(256)	(345)
Increase in trade & other payables	903	354
Cash outflow from operating activities	(909)	(908)

5. Investment in NMRE

As NMRE is a significant asset to Novera a breakdown of both the Income Statement and Balance Sheet of NMRE are disclosed below:

NMRE Income Statement

	NMRE 100%	
	2006	**2005**
	£'000	**£'000**
Revenues	30,352	24,938
Cost of sales	(16,040)	(14,101)
Gross Profit	14,312	10,837
Administrative Expenses	(1,423)	(2,024)
EBITDA	**12,889**	**8,813**
Asset write downs	(1,830)	-
Depreciation expense	(5,210)	(4,954)
Amortisation expense	(2,442)	(1,985)
Operating Profit	**3,407**	**1,874**
Net interest payable and similar charges	(5,514)	(4,575)
Gain on sale of business	358	-
Share of post tax losses from joint ventures	160	(45)
Loss before tax	(1,589)	(2,746)
Tax expense	1,662	-
Profit / (Loss) for the year	**73**	**(2,746)**

Novera's 50 per cent share of NMRE's profit equals £36,000 for 2006. (2005: loss of £1,373,000).

NMRE Balance Sheet

	2006 £'000	2005 £'000
ASSETS		
Non-current assets		
Property, plant and equipment	70,178	76,739
Intangible assets	42,892	45,912
Investment in JV	538	377
Total non-current assets	113,608	123,028
Current assets		
Cash and cash equivalents	14,863	16,652
Receivables	8,349	8,445
Total current assets	23,212	25,097
Total assets	**136,820**	**148,125**
LIABILITIES		
Current liabilities		
Financial liabilities	6,379	6,993
Trade and other payables	11,241	12,063
Total current liabilities	17,620	19,056
Non-current liabilities		
Financial liabilities	87,909	94,687
Provisions for liabilities and charges	2,076	3,741
Total non-current liabilities	89,985	98,428
Total liabilities	**107,605**	**117,484**
Net assets	**29,215**	**30,641**

Novera's 50 per cent share of NMRE's net assets equals £14,608,000 for 2006. (2005: £15,320,000).

6. Events occurring after reporting date

The acquisition of the remaining 50 per cent of Novera Macquarie Renewable Energy Joint Venture Limited (NMRE) from Macquarie International Infrastructure Fund was announced on 21 December 2006 and completed on 22 January 2007. The purchase price was £30 million. The acquisition was financed through funds raised by a Placing of £38 million.