



# Interim Financial Report

31 December 2012

ASX RELEASE

COMMISSIONERS GOLD LIMITED (ASX:CGU)



# Directors' Report

Your Directors submit the financial report of the Company for the half-year ended 31 December 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

## Directors

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

Christopher Battye	Executive Chairman
Wes Harder	Non-Executive Director
Robert Waring	Non-Executive Director

## Company Secretary

Keith Taylor

## Dividends

No dividends have been paid or declared since the start of the half-year and/or the Directors do not recommend the payment of a dividend in respect of the half-year.

## Principal Activities

The principal activity of the Company during the half-year was the exploration for gold resources.

## Review of Operations

Commissioners Gold Limited is well on its way to becoming a junior resource development company only 18 months since listing on the ASX. Gold production from its maiden project in Peru is forecast to commence in April 2013. Cash generated will be used to develop additional satellite mining assets in Peru as well as being repatriated to fund exploration projects in NSW.

The Company's activities during the past half-year have been focussed on four principal business streams:

- Project acquisition JV in Peru
- Acquisition of 25% interest in a Peruvian gold production asset
- Ongoing evaluation of NSW exploration projects
- Capital raising

In July 2012 the Company entered into a project acquisition joint venture (JV) with Lima-based Australia Gold Corporation Limited (AGC) to acquire and develop resource assets in Peru. The 50/50 JV has been funded by CGU contributions of \$50,000 per month. The JV has to date focussed on projects with near-term production potential, low entry cost and potential for scalability. The JV has short-listed a number of exciting projects which are in final due diligence for investment.



Figure 1: JV field geologist Marco Ciriaco mapping the Tambo Cu-Au prospect in southern Peru



Commissioners Gold announced in December 2012 it had successfully completed due diligence and corporate structuring, and paid the final tranche of a AUD\$400,000 investment, to acquire a 25% share ownership in Peruvian Company Goldsmith Resources SAC, operator of the Mollehuaca gold plant in southern Peru. The plant is currently being refurbished to enable processing of significant recoverable gold contained within the nearby Santa Rosa gold tailings. Trial production of Santa Rosa tailings is expected to commence in late March 2013 and production from the initial circuit is expected to total around 10,000 ounces per annum, of which CGU's share is 1,250 ounces. Importantly, the treatment of Santa Rosa tailings will not occupy the full capacity of the plant. The Company expects to finalise negotiations shortly on other nearby small mining assets to provide additional low tonnage, high grade ore to the plant.

CGU continues to assess its exploration assets in NSW, with particular focus on the flagship Cowarra project in southern NSW. Exploration programmes have been developed for Cowarra, Oberon and Dalton aimed at advancing knowledge of the resource potential of these areas and will be implemented once sufficient funding has been secured.

With the aim of funding its new operations in Peru, Commissioners Gold has recently completed a campaign of capital raising, bringing in a total of \$742,775 to the Company in recent months. The capital raising was achieved in three stages:

- On 18 October the Company announced the placement of 4,706,111 new CGU shares at \$0.045, raising \$211,775
- On 28 November 2012 the Company closed a Share Purchase Plan (SPP) to existing shareholders which raised \$232,800 by issuing 5,173,318 new shares at \$0.045.
- On 21 February 2013 the Company completed the placement of the SPP shortfall, raising an additional \$298,200 by issuing 6,626,681 new shares at \$0.045.

Funds raised are being put toward funding the 25% acquisition of Goldsmith Resources and continuing project acquisition in Peru.



Figure 2: Carbon in leach tanks at the Mollehuaca plant

## Operating results for the half-year

The loss of the Company for the half-year, after providing for income tax amounted to \$915,041 (2011: \$222,036).

## Review of financial conditions

The Company had \$53,396 in cash assets at 31 December 2012. Subsequent to the end of the reporting period, the Company raised an additional \$298,200 from the placement to sophisticated and professional investors of the shortfall of the SPP undertaken in October and November 2012.

The net assets of Commissioners Gold Limited decreased from \$1,333,159 at 30 June 2012 to \$897,324 at 31 December 2012, a decrease of \$435,835. This decrease resulted principally from exploration and evaluation expense of \$545,698 which included expensing in full new project investigation JV costs of \$300,000 undertaken with AGC Ltd and writing-off capitalised exploration and evaluation expenses of \$244,697.



## Risk management

Details of the Company's Risk Management policies are contained within the Corporate Governance Statement in the Directors' Report as outlined in the 30 June 2012 Annual Report.

## Events Subsequent to the End of the Half-Year

Subsequent to the end of the half-year, the share purchase plan shortfall of 6,626,681 fully paid shares was placed with sophisticated and professional investors at 4.5 cents per share on 21 February 2013 and raised \$298,200.

No other subsequent events occurred after the end of the half-year.

## Other Activities and Company Strategy

The Company continues to focus on the exploration of its projects with the aim of finding and developing commercially viable mineral deposits. The Company continues to monitor resource exploration opportunities both locally and internationally.

## Environmental legislation

The Company is subject to significant environmental and monitoring requirements in respect of its natural resource exploration activities. The Directors are not aware of any significant breaches of these requirements during the period.

## Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

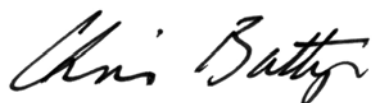
During the financial year the Company paid a premium in respect of a contract insuring the Directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.



## Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors to provide the Directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 7 and forms part of this Directors' report for the half-year ended 31 December 2012.

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



**Christopher Battye**  
**Executive Chairman**

13 March 2013

### Competent Person

The information pertaining to the technical content of this Operations Report has been compiled by Mr Jason Needham. Mr Needham is the COO and Exploration Manager at Commissioners Gold Limited. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity that he is undertaking to qualify as a Competent Person as defined in the December 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (The JORC Code). Mr Needham consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

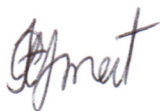
**TO THE DIRECTORS OF COMMISSIONERS GOLD LIMITED**

In connection with the review of Commissioners Gold Limited for the period ended 31 December 2012, 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
- any applicable code of professional conduct in relation to the review.

This declaration is in respect of Commissioners Gold Limited.

**KS Black & Co**  
**Chartered Accountants**



**Faizal Ajmat**  
**Partner**

Sydney, 13 March 2013



# Statement of Comprehensive Income

For the Half-Year Ended 31 December 2012

	Notes	31 Dec 2012 \$	31 Dec 2011 \$
Interest income		13,291	5,537
Administration costs		(59,811)	(27,728)
Consultants' costs		-	(25,070)
Employee benefits expense		(107,888)	(53,858)
Exploration expense	3	(545,698)	(2,405)
Interest expense		-	(2,150)
Legal and professional costs		(106,668)	(95,829)
Public relations, printing and roadshow expenses		(85,017)	(20,535)
Options expense		(23,250)	-
<b>Loss before income tax expense</b>		<b>(915,041)</b>	<b>(222,036)</b>
Income tax expense		-	-
<b>Net loss for the period attributable to the owners of Commissioners Gold Limited</b>		<b>(915,041)</b>	<b>(222,036)</b>
Other comprehensive income			-
<b>Total comprehensive loss for the period attributable to the owners of Commissioners Gold Limited</b>		<b>(915,041)</b>	<b>(222,036)</b>
Basic loss per share (cents per share)	7	(2.4500)	(0.6700)
Diluted earnings per share (cents per share)	7	N/A	N/A

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

# Statement of Financial Position

As at 31 December 2012

	Notes	31 Dec 2012 \$	30 Jun 2012 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		53,396	513,888
Trade and other receivables		-	36,036
<b>Total Current Assets</b>		<b>53,396</b>	<b>549,924</b>
<b>Non-Current Assets</b>			
Deferred exploration and evaluation expenditure	2	645,455	880,313
Intangible assets		50,000	50,000
Investments accounted for using the equity method		400,000	-
<b>Total Non-Current Assets</b>		<b>1,095,455</b>	<b>930,313</b>
<b>Total Assets</b>		<b>1,148,851</b>	<b>1,480,237</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		42,222	77,078
Borrowings		104,305	-
Deferred Directors' Fees		105,000	70,000
<b>Total Current Liabilities</b>		<b>251,527</b>	<b>70,000</b>
<b>Total Liabilities</b>		<b>251,527</b>	<b>147,078</b>
<b>Net Assets</b>		<b>897,324</b>	<b>1,333,159</b>
<b>Equity</b>			
Issued capital	5	3,604,134	3,148,178
Reserves	6	90,975	67,725
Accumulated Losses		(2,797,785)	(1,882,744)
<b>Total Equity</b>		<b>897,324</b>	<b>1,333,159</b>

The statement of financial position should be read in conjunction with the accompanying notes.



## Statement of Changes in Equity

For the Half-Year Ended 31 December 2012

	<b>Issued Capital</b>	<b>Reserves</b>	<b>Accumulated Losses</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 July 2011</b>	1,419,450	50,025	(947,660)	521,815
Shares issued during the half-year	2,669,358	-	-	2,669,358
Share issue costs	(940,278)	-	-	(940,278)
Net loss for the period	-	-	(222,036)	(222,036)
<b>Balance at 31 December 2011</b>	<b>3,148,530</b>	<b>50,025</b>	<b>(1,169,696)</b>	<b>2,028,859</b>
<b>Balance at 1 July 2012</b>	<b>3,148,178</b>	<b>67,725</b>	<b>(1,882,744)</b>	<b>1,333,159</b>
Shares issued during the half-year	<b>469,590</b>	-	-	<b>469,590</b>
Share issue costs	<b>(13,634)</b>	-	-	<b>(13,634)</b>
Options expensed		<b>23,250</b>	-	<b>23,250</b>
Net loss for the period	-	-	<b>(915,041)</b>	<b>(915,041)</b>
<b>Balance at 31 December 2012</b>	<b>3,604,134</b>	<b>90,975</b>	<b>(2,797,785)</b>	<b>897,324</b>

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



# Statement of Cash Flows

For the Half-year Ended 31 December 2012

	31 Dec 2012	31 Dec 2011
	\$	\$
<b>Cash flows from operating activities</b>		
Interest received	13,291	5,537
Payments to suppliers and employees	(229,074)	(472,680)
Finance costs	-	(2,150)
GST refunds	23,079	111,468
<b>Net cash used in operating activities</b>	<u>(192,704)</u>	<u>(357,825)</u>
<b>Cash flows from investing activities</b>		
Payment for equity investment	(400,000)	-
Payments for exploration and evaluation expenditure	(391,744)	(856,303)
<b>Net cash used in investing activities</b>	<u>(791,744)</u>	<u>(856,303)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	469,590	1,341,478
Share issue costs	(13,634)	(509,366)
Proceeds from borrowings	68,000	-
<b>Net cash provided by financing activities</b>	<u>523,956</u>	<u>832,112</u>
Net (decrease)/increase in cash and cash equivalents	(460,492)	(382,016)
Cash and cash equivalents at the beginning of the period	513,888	1,343,844
<b>Cash and cash equivalents at the end of the period</b>	<u>53,396</u>	<u>961,828</u>

The statement of cash flows should be read in conjunction with the accompanying notes.



# Notes to the Financial Statements

For the Half-year Ended 31 December 2012

## Note 1: Statement of Significant Accounting Policies

### Statement of compliance

These interim 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', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This condensed 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 Company as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Commissioners Gold Limited (the Company) during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

### Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

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

### Significant accounting judgements and key estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2012.

### Going concern

The financial statements have been prepared on the going concern basis, the validity of which depends upon the positive cash position. The Company's existing projections show that further funds will be required to be generated, either by capital raisings, sales of assets or other initiatives, to enable the Company to fund its currently planned activities for at least the next 12 months from the date of signing these financial statements. Should new opportunities present that require additional funds the Directors will take action to reprioritise activities, dispose of assets and or raise further funds.

Notwithstanding this issue, accordingly the Directors have prepared the financial statements of the Company on a going concern basis. In arriving at this position, the Directors have considered the following pertinent matter:

Australian Accounting Standard, AASB 101 "Accounting Policies", states that an entity shall prepare financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so.

In the Directors' opinion, at the date of signing the financial report, there are reasonable grounds to believe that the matters set out above will be achieved and therefore the financial statements have been prepared on a going concern basis.

## Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker has been identified as the Board of Commissioners Gold Limited.

## Adoption of new and revised Accounting Standards

In the half-year ended 31 December 2012, the Company 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 2011.

It has been determined by the Company 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 Company accounting policies.

The Company has also reviewed all new standards and interpretations that have been raised but are not yet effective for the half-year ended 31 December 2012. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change necessary to the Company accounting policies.

## Note 2: Deferred Exploration and Evaluation Expenditure

	31 Dec 2012	30 Jun 2012
	\$	\$
Balance at beginning of period 1 July 2012	880,313	-
Expenditure incurred	9,839	880,313
Expenditure written-off	(244,697)	-
Balance at 31 December 2012	<u>645,455</u>	<u>880,313</u>

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases are dependent on the successful development and commercial exploitation or sale of the respective areas.

## Note 3: Exploration Expense

	31 Dec 2012	31 Dec 2011
	\$	\$
Deferred expenditure written-off	244,697	-
Joint venture costs expensed	300,000	-
General exploration expenses	1,001	2,405
	<u>545,698</u>	<u>2,405</u>

Joint venture costs expensed refer to costs incurred by the joint venture entered into with Australia Gold Corporation Ltd, an unlisted Australian Company based in Lima, Peru to identify and acquire resource projects in Peru. Establishment of the joint venture was announced to the Australian Securities Exchange on 2 July, 2012.

## Note 4: Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Commissioners Gold Limited. The Company operated principally in one business segment being mineral exploration.

## Note 5: Issued Capital

	31 Dec 2012	30 June 2012
	\$	\$
<b>Ordinary shares</b>		
44,729,121 Ordinary Fully Paid Shares (30 June 2012 – 34,849,692 shares)	4,558,398	4,088,808
Share issue costs	(954,264)	(940,630)
Total issued capital	<u>3,604,134</u>	<u>3,148,178</u>
	<b>No.</b>	<b>\$</b>
<i>Movements in ordinary shares on issue</i>		
At 1 July 2012	34,849,692	4,088,808
Ordinary shares issued during the period	9,879,429	469,590
At 31 December 2012	<u>44,729,121</u>	<u>4,558,398</u>

## Note 6: Reserves

### Reserves

Share based payments reserve

*Movements in options over ordinary shares on issue*

At 1 July 2012

Options Issued during the period

At 31 December 2012

	31 Dec 2012	30 Jun 2012
	\$	\$
	<b>90,975</b>	67,725
	<b>90,975</b>	67,725
	<b>67,725</b>	50,025
	<b>23,250</b>	17,700
	<b>90,975</b>	67,725

## Note 7: Loss Per Share

### a. Basic Loss per share

i. Basic Loss per share (cents)

ii. Net loss used to calculate basic loss per share

Weighted average number of ordinary shares outstanding during the half-year used  
iii. in calculating basic loss per share

### b. Diluted loss per share

The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease in the net loss per share.

	31 Dec 2012	31 Dec 2011
	\$	\$
	<b>(2.45)</b>	(0.67)
	<b>(915,041)</b>	(222,036)
	<b>37,421,576</b>	33,301,448
	-	-

## Note 8: Significant Events for the Period

During the half-year to 31 December 2012, as announced to the Australian Securities Exchange on 11 October 2012, 4,706,111 fully paid shares at 4.5 cents each were issued to sophisticated and professional investors and raised \$211,775 to assist the 25% equity investment in Goldsmith resources SAC, the operator of the Mollehuaca-Santa Rosa Project in Peru and general working capital. In addition, an offer was also made to existing shareholders to participate in a Share Purchase Plan as announced to the ASX on 11 October 2012 and 5,713,318 fully paid shares at 4.5 cents each were issued to participating shareholders and raised \$232,800.

## Note 9: Events After the Reporting Period

Subsequent to the end of the reporting period, the Share Purchase Plan shortfall of 6,626,681 fully paid shares was placed with sophisticated and professional investors at 4.5 cents per share on 21 February 2013 and raised \$298,200.

Since the end of the half-year the Directors are not aware of any other matter or circumstance not otherwise dealt with within the financial report that has significantly or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in subsequent financial years.

## Note 10: Operating Segments

### Segment Information

#### Identification of reportable segments

During the half-year the Company operated principally in one business segment being mineral exploration and in two geographical segments being Australia and Peru.

## Note 11: Dividends

The Directors of the Company have not declared an interim dividend.

## Note 12: Contingent Liabilities

There have been no changes in the commitments or contingencies as outlined in the 30 June 2012 Annual Report.

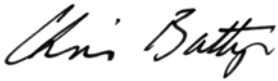


## Directors' Declaration

In the opinion of the Directors of Commissioners Gold Limited (the Company):

- 1) The financial statements and notes thereto, as set out on pages 9 to 15 are in accordance with the Corporations Act 2001 including:
  - a) complying with Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001; and other mandatory professional reporting requirements; and
  - b) giving a true and fair view of the Company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.
- 2) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303 (5) of the Corporations Act 2001.



**Christopher Battye**  
Executive Chairman

13 March 2013



## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COMMISSIONERS GOLD LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Commissioners Gold Limited (the company) which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the half year ended on that date, notes comprising a summary of significant accounting policies, other explanatory notes and the directors' declaration of the company.

### Director's Responsibility for the Half-Year Financial Report

The Directors of Commissioners Gold Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards AASB 134 Interim Financial Reporting and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of 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 and consolidated entity's financial position as at 31 December 2012, and of their performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Commissioners Gold 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 enquires, 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, which has been given to the directors of Commissioners Gold Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

## INDEPENDENT AUDITOR'S REVIEW REPORT

### TO THE MEMBERS OF COMMISSIONERS GOLD LIMITED (Cont'd)

#### Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Commissioners Gold Limited is not in accordance with the Corporations Act 2001 including:

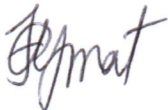
- (a) giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

#### Significant Uncertainty Regarding Going Concern

For the half-year year ended 31 December 2012, the company incurred a net loss after tax of \$915,041 (2011: loss \$222,036). The company generated negative cash flows from operating activities for the half-year of \$192,704 (2011: negative \$357,825).

Note 1 to the half-year financial report indicates that the cash flow forecasts project that the company will continue to be able to meet its liabilities and obligations as and when they fall due for a period of at least 12 months from the date of signing of this half-year financial report. The cash flow forecast is dependent upon the generation of sufficient cash flows from capital raising, sales of assets or other initiatives to enable the company to fund its planned activities and be able to meet its liability and obligations as and when they fall due for at least the next 12 months from the date of signing of this half-year financial report.

**KS Black & Co**  
**Chartered Accountants**



**Faizal Ajmat**  
**Partner**

Sydney, 13 March 2013