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# **EUROGOLD LIMITED**

**ABN 58 009 070 384**

## **HALF YEAR REPORT**

**31 DECEMBER 2007**

## CORPORATE DIRECTORY

### Principal Registered Office in Australia

Level 1  
173 Mounts Bay Road  
Perth Western Australia 6000  
Telephone: 08 9481 0572  
Facsimile: 08 9481 3586  
Website: [www.eurogold.com.au](http://www.eurogold.com.au)

### Share Registry - Australia

Computershare Investor Services Pty Ltd  
Level 2, Reserve Bank Building  
45 St George's Terrace  
Perth Western Australia 6000  
Telephone: 08 9323 2000  
Facsimile: 08 9323 2033

### Share Registry – United Kingdom

Computershare Investor Services PLC  
The Pavilions  
Bridgewater Road  
Bristol BS99 7NH  
United Kingdom  
Telephone: +44 (0)870 703 6025  
Facsimile: +44 (0)870 703 6115

### Auditors - Australia

Ernst & Young  
11 Mounts Bay Road  
Perth Western Australia 6000

### Solicitors

Hardy Bowen  
Level 1, 28 Ord Street  
West Perth Western Australia 6005

### Bankers - Australia

BankWest  
853 Hay Street  
West Perth Western Australia 6000

### Bankers – London

Standard Bank London  
Cannon Bridge House  
25 Dowgate Hill  
London EC4R 2SB

### ASX Code

EUG - Fully Paid Ordinary Shares

### AIM Code

EUG – Fully Paid Ordinary Shares

### Nominated Advisor to AIM

RFC Corporate Finance Ltd  
Level 8, 250 St Georges Tce  
Perth, Western Australia 6000

### Nominated Broker to AIM

Ambrian Partners  
8 Angel Court  
London EC2R 7HP

## **DIRECTORS REPORT**

Your directors submit their report for the half-year ended 31 December 2007.

### **Directors**

The names and details of the directors of Eurogold Limited ("the Company") in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Peter Gunzburg	(Executive Chairman)
Brett Montgomery	(Non Executive Director)
Neil MacLachlan	(Non Executive Director)

### **Company Secretary**

Pauline Collinson

## **REVIEW AND RESULTS OF OPERATIONS**

### **Corporate**

- In order to reduce costs the Company moved to smaller offices in July 2007 and subcontracted its Company Secretarial activities. In addition, the cash component of Directors' salaries and directors fees was reduced in return for remuneration options.
- In July 2007 the Company disposes of its Ukrainian gold mining assets to Resource Invest LLC ("RIL") for US\$5 million (A\$5.7 million). US\$2 million (A\$2.3 million) has been received and the balance of US\$3 million (A\$3.4 million) is due from RIL upon a regulatory milestone relating to the advancement of the Saulyak Gold Project being met.

### **Significant Events After Balance Date**

On 19 February 2008 the Company announced it had agreed with Oxus Holdings (Malta) Limited and Oxus Gold Plc to settle the Federal Court proceedings commenced in 2006 by Eurogold and its wholly owned subsidiary Eurogold Holdings (Bermuda) Limited.

Without accepting any liability Oxus agreed to settle the dispute and pay Eurogold A\$7,950,000 made up of cash of approximately A\$6,780,000 and Oxus shares to the value of A\$1,170,000. A cash component of A\$5,060,000 is payable on or before 31 March 2008 and the balance of A\$1.72 million by 6 May 2008.

Under the terms of the agreement entered into with IMF (Australia) Limited ("IMF") to fund the Australian Federal Court proceedings against Oxus, IMF are entitled to receive 30% of the total proceeds received from the settlement.

## **Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires the company's auditors, Ernst & Young, to provide the directors with a written Independence Declaration in relation to their review of the financial report for the period ended 31 December 2007. The written Auditor's Independence Declaration is attached to the Auditor's Independent Review Report to the members and forms part of this Director's Report.

Signed in accordance with a resolution of the Directors.

**P GUNZBURG**  
Chairman

Perth, 14 March 2008

## INCOME STATEMENT

### For the half year ended 31 December 2007

		<b>CONSOLIDATED</b>	
	Note	For the half year ended 31 December 2007	For the half year ended 31 December 2006
<b>Continuing Operations</b>			
Revenue	3	85,118	12,372
Exchange gain/(loss)		15,074	(552,799)
Employee benefits expense		(169,490)	(169,369)
Depreciation expense		(1,777)	(2,042)
Consultants fees		(83,954)	(423,954)
Interest on loans		(20,120)	(18,675)
Net loss on sale of assets		(1,408)	-
Administration and other expenses		(322,693)	(434,879)
<b>LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX EXPENSE</b>		(499,250)	(1,589,346)
<b>INCOME TAX EXPENSE</b>		-	-
<b>NET LOSS FOR THE PERIOD FROM CONTINUING OPERATIONS AFTER INCOME TAX EXPENSE</b>		(499,250)	(1,589,346)
<b>Discontinued Operations</b>			
Loss from discontinued operations after income tax	7	(421,212)	(6,717,871)
<b>NET LOSS ATTRIBUTABLE TO MEMBERS OF EUROGOLD LIMITED</b>		(920,462)	(8,307,217)
Basic and diluted loss per share (cents per share), for loss for the half-year attributable to members of Eurogold Limited		(0.28)	(2.70)
Basic and diluted loss per share (cents per share) from continuing operations for the half-year attributable to members of Eurogold Limited		(0.16)	(0.52)

## BALANCE SHEET

### As at 31 December 2007

		CONSOLIDATED	
		As at	As at
Note		31 December 2007	30 June 2007
<b>Current Assets</b>			
	Cash and cash equivalents	2,130,585	512,312
	Trade and other receivables	11,559	9,481
	Assets held for sale	-	2,254,768
	<b>Total Current Assets</b>	<b>2,142,144</b>	<b>2,776,561</b>
<b>Non-Current Assets</b>			
	Plant and equipment	8,835	8,333
	<b>Total Non-Current Assets</b>	<b>8,835</b>	<b>8,333</b>
	<b>TOTAL ASSETS</b>	<b>2,150,979</b>	<b>2,784,894</b>
<b>Current Liabilities</b>			
	Trade and other payables	108,686	116,865
	Interest bearing loans and borrowings	475,030	490,104
	Provisions	4,735	134,003
	<b>Total Current Liabilities</b>	<b>588,451</b>	<b>740,972</b>
	<b>TOTAL LIABILITIES</b>	<b>588,451</b>	<b>740,972</b>
	<b>NET ASSETS</b>	<b>1,562,518</b>	<b>2,043,922</b>
<b>EQUITY</b>			
<i>Equity attributable to equity holders of the parent</i>			
	Contributed Equity	41,345,565	41,345,565
	Reserves	2,028,982	2,011,136
	Amounts recognised directly in equity relating to non-current assets held for sale	-	(421,212)
	Accumulated losses	(41,812,029)	(40,891,567)
	<b>TOTAL EQUITY</b>	<b>1,562,518</b>	<b>2,043,922</b>

## CASH FLOW STATEMENT

### For the half year ended 31 December 2007

		CONSOLIDATED	
	Note	For the half year ended 31 December 2007	For the half year ended 31 December 2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		17,067	-
Payments to suppliers and employees		(717,927)	(1,970,564)
Interest received		68,051	12,372
Expenditure on exploration and evaluation		-	(400,320)
		<b>(632,809)</b>	<b>(2,358,512)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of assets		1,100	-
Purchase of property, plant and equipment		(4,786)	(39,881)
Proceeds from sale of assets held for sale	7	2,254,768	-
		<b>2,251,082</b>	<b>(39,881)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	833,796
Proceeds from issue of ordinary shares		-	1,750,000
Payment of share issue costs		-	(21,250)
		<b>-</b>	<b>2,562,546</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>			
Cash & cash equivalents at beginning of period	6	1,618,273	164,153
Disclosed as asset of disposal group for sale		512,312	128,394
Effects of exchange rate changes on cash		-	(194,838)
		<b>-</b>	<b>(5,876)</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF PERIOD</b>	6	<b>2,130,585</b>	<b>91,833</b>

## STATEMENT OF CHANGES IN EQUITY

### For the half year ended 31 December 2007 – Consolidated

	Issued Capital	Foreign Currency Translation Reserve	Accumulated Losses	Discount on Minority Interest Reserve	Option Reserve	Total Equity
Balance at beginning of period	41,345,565	(421,212)	(40,891,567)	2,011,136	-	<b>2,043,922</b>
Recognition of foreign currency translation reserve in the income statement on disposal of foreign operations	-	421,212	-	-	-	<b>421,212</b>
Loss for Period	-	-	(920,462)	-	-	<b>(920,462)</b>
Total income/(expense) for the period	-	421,212	(920,462)	-	-	<b>(499,250)</b>
Issues of Share Capital	-	-	-	-	-	-
Value of Options Issued	-	-	-	-	17,846	<b>17,846</b>
<b>Balance at End of Period</b>	<b>41,345,565</b>	<b>-</b>	<b>(41,812,029)</b>	<b>2,011,136</b>	<b>17,846</b>	<b>1,562,518</b>

### For the half year ended 31 December 2006 - Consolidated

	Issued Capital	Foreign Currency Translation Reserve	Accumulated Losses	Discount on Minority Interest Reserve	Total Equity
Balance at beginning of period	39,366,815	(529,588)	(29,805,430)	2,011,136	<b>11,042,933</b>
Currency Translation Difference	-	104,286	-	-	<b>104,286</b>
Loss for Period	-	-	(8,307,217)	-	<b>(8,307,217)</b>
Total income/(expense) for the period	-	104,286	(8,307,217)	-	<b>(8,202,931)</b>
Issues of Share Capital	1,978,750	-	-	-	<b>1,978,750</b>
Movement in Minority Interest	-	-	-	-	-
<b>Balance at End of Period</b>	<b>41,345,565</b>	<b>(425,302)</b>	<b>(38,112,647)</b>	<b>2,011,136</b>	<b>4,818,752</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Corporate Information

The financial report of Eurogold Limited (the company) for the half year ended 31 December 2007 was authorised for issue in accordance with a resolution of the directors on 14 March 2008. Eurogold Limited is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Stock Exchange and the Alternative Investment Market (AIM) London.

The nature of the operations and principal activities of Eurogold Limited and its controlled entities (the consolidated entity or Group) are described in Note 5.

### 2. Summary of Significant Accounting Policies

The half-year consolidated financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investment activities of the consolidated entity as the full financial report.

The half-year financial report should be read in conjunction with the Annual Financial Report of Eurogold Limited as at 30 June 2007.

It is also recommended that the half-year financial report be considered together with any public announcements made by Eurogold Limited and its controlled entities during the half-year ended 31 December 2007 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001, the Australian Stock Exchange Listing Rules and the Alternative Investment Market (AIM) London.

#### (a) *Basis of Preparation*

The half-year financial report is a general-purpose condensed financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 "Interim Financial Reporting".

The half-year financial report has been prepared on a historical cost basis.

The financial report is presented in Australian dollars.

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



## NOTES TO THE FINANCIAL STATEMENTS

### (c) *Significant Accounting Policies*

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2007, except for the adoption amending standards mandatory for annual periods beginning on or after 1 July 2007 as described below:

AASB 101(revised October 2006)	Presentation of Financial Statements;
AASB 7	Financial Instruments: Disclosures;
AASB 2005-10	Amendments to Australian Accounting Standard [AASB 119];
AASB 2007-1	Amendments to Australian Accounting Standards arising from interpretation 11 (AASB 2);
AASB 2007-4	Amendments to Australian Accounting Standards arising from ED 151 and other amendments;
AASB 2007-7	Amendments to Australian Accounting Standards [AASB 1, 2, 4, 5, 107 and 128];
Interpretation 10	Interim Financial Reporting and Impairments: and
Interpretation 11	AASB 2 Group Treasury Share Transactions.

The adoption of the above standards has had no impact on the financial position or performance of the group.

### (d) *Basis of Consolidation*

The consolidated financial statements included the financial statements of the parent entity Eurogold Limited, and its controlled entities, referred to collectively throughout these financial statements as the "consolidated entity" or "the group".

### (e) *Significant accounting judgments, estimates and assumptions*

In applying the Group's accounting policies management continually evaluates judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgments, estimates and assumptions. Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

**NOTES TO THE FINANCIAL STATEMENTS****3. REVENUE**

	<b>CONSOLIDATED</b>	
	<b>31 December 2007</b>	<b>31 December 2006</b>
Interest revenue	68,051	12,372
Other revenue	17,067	-
	<b>85,118</b>	<b>12,372</b>

**4. CONTINGENT ASSETS AND LIABILITIES**

Since the last annual reporting date, there have been the following changes to contingent liabilities or contingent assets:

1. The company has agreed to settle its legal proceedings against Oxus Holdings (Malta) Limited and Oxus Gold Plc arising from the termination of the Asset Sale Agreement entered into between the company and Oxus Holdings (Malta) Limited and Oxus Gold Plc on 30 April 2006 for the sale of the company's Ukrainian gold assets. The company will receive \$7,950,000 made up of cash of approximately \$6,780,000 and Oxus shares to the value of approximately \$1,170,000. Of the cash component \$5,060,000 is payable on or before 31 March 2008 with the balance due on 6 May 2008. In accordance with an agreement entered into by the company with IMF (Australia) Limited the company will pay to IMF (Australia) Limited 30% of the total proceeds received from the settlement.
2. On 14 July 2007 the company disposed of its Ukrainian gold mining assets for US \$5 million (A\$5.7 million). US \$3 million (A\$3.4 million) of this amount remains outstanding and will only be received upon the purchaser meeting a regulatory milestone relating to the advancement of beer Saulyak Gold Project.
3. With the sale of its Ukrainian gold mining assets the company is no longer exposed to operating in the Ukraine, which displayed emerging market characteristics in its legislation and business practices including taxation, other than in relation to the receipt of US \$3 million (A\$3.4 million) still being due in relation to the sale of the assets.

**5. SEGMENT INFORMATION**

The Group primary segment reporting format is geographic locations. The Group operates only in one business segment, being minerals exploration.

**Primary Segment – Geographical Segments**

Eurogold Limited had the following geographical segments at 31 December 2007:

*Australia*

Australia is the location of the central management and control of Eurogold, including where company secretarial services, accounting and cash management operations are performed.

Until 10 July 2007 the Company had operations in the mineral exploration sector in the Ukraine.

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**NOTES TO THE FINANCIAL STATEMENTS**
**5. SEGMENT INFORMATION (Cont)****Primary Reporting – Geographical Segments  
2007**

	Discontinued Operations		Continuing Operations		Total Operations
	\$ Ukraine	\$ Romania	\$ Australia	\$ Eliminations	\$ Consolidated
Revenues from ordinary activities	-	-	85,118	-	85,118
Segment result (loss)	(421,212)	-	(499,250)	-	(920,462)

**Primary Reporting – Geographical Segments  
2006**

	Discontinued Operations		Continuing Operations		Total Operations
	\$ Ukraine	\$ Romania	\$ Australia	\$ Eliminations	\$ Consolidated
Revenues from ordinary activities	-	-	12,372	-	12,372
Segment result (loss)	(6,717,871)	(2,337)	(1,587,009)	-	(8,307,217)

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**NOTES TO THE FINANCIAL STATEMENTS**
**6. CASH & CASH EQUIVALENTS**

For the purpose of the half-year condensed cash flow statement, cash and cash equivalents are comprised of the following:

	<b>CONSOLIDATED</b>	
	<b>As at 31 December 2007</b>	<b>As at 30 June 2007</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and on hand	2,130,585	512,312

**7. DISCONTINUED OPERATIONS****(a) Details of operation disposed**

On 10 July 2007 at the company's General Meeting, Shareholders authorised the sale of its Ukrainian gold mining assets to Resource Invest LLC ("RIL") pursuant to the Asset Sale Agreement dated 19 May 2007.

Settlement was effected on 14 July 2007 and the Company received an initial payment of US\$2,000,000 (A\$2,254,768) from RIL and is entitled to receive a further US\$3,000,000 (A\$3,418,414) upon RIL meeting key regulatory milestones relating to the advancement of the Saulyak Gold Project.

The sale of the company's Ukrainian gold mining assets represents a discontinuation of the company's activities outside of Australia.

**(b) Loss attributable to operation disposed**

	<b>For the half-year ended 31 December 2007</b>	<b>For the half-year ended 31 December 2006</b>
	<b>\$</b>	<b>\$</b>
Employee benefits expense	-	(215,193)
Depreciation expense	-	(44,347)
Exchange loss	-	(6,892)
Administration and other expenses	-	(114,188)
Impairment of assets held for sale	-	(6,337,251)
	-	(6,717,871)
Less foreign currency translation reserve balance relating to operation disposed	(421,212)	-
Net loss from discontinued operations	(421,212)	(6,717,871)
Basic and diluted loss per share (cents per share), from discontinued operations for the half-year attributable to members of Eurogold Limited	(0.13)	(2.19)

There were no operations for the benefit of the group during the period from 1 July 2007 until disposal of the Ukrainian gold assets on 14 July 2007.

## NOTES TO THE FINANCIAL STATEMENTS

## 7. DISCONTINUED OPERATIONS (continued)

## (c) Assets and liabilities of operation disposed

There were no movements in the assets or liabilities of the Ukrainian gold assets between 30 June 2007 and the date of disposal.

	As at 30 June 2007 \$
<b>Assets</b>	
Trade and other receivables	177,182
Other	69,912
Plant & equipment	212,482
Deferred exploration and evaluation	11,478,525
Less impairment loss <sup>(a)</sup>	(9,629,535)
Net deferred exploration and evaluation	<u>2,308,566</u>
<b>Liabilities</b>	
Trade and other payables	<u>(53,798)</u>
<b>Net assets</b>	<u><u>2,254,768</u></u>
<sup>(a)</sup> The impairment loss represented the write-down of the exploration assets to recoverable amount. This was recognised in the income statement in the line item "Discontinued Operations". The recoverable amount was based on the fair value less costs to sell and was determined at the cash-generating unit level. The cash-generating unit consisted of the Ukrainian based assets of Eurogold Limited.	
<b>Consideration received or receivable:</b>	
Cash received to date (US\$2 million)	2,254,768
Contingent sales proceeds (US\$3 million)	-
Total disposal consideration received to date	<u>2,254,768</u>
Less net assets disposed of	(2,254,768)
Less foreign currency translation reserve balance relating to operation disposed	<u>(421,212)</u>
Gain (Loss) on disposal before income tax	(421,212)
Income tax expense	-
Gain (Loss) on disposal after income tax	<u><u>(421,212)</u></u>
<b>Net cash inflow on disposal:</b>	
Cash and cash equivalents consideration	2,254,768
Less cash and cash equivalents balance disposed of	-
Reflected in the consolidated cash flow statement	<u><u>2,254,768</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. SUBSEQUENT EVENTS

On 19 February 2008 the Company announced it had agreed with Oxus Holdings (Malta) Limited and Oxus Gold Plc to settle the Federal Court proceedings commenced in 2006 by Eurogold and its wholly owned subsidiary Eurogold Holdings (Bermuda) Limited.

Without accepting any liability Oxus agreed to settle the dispute and pay Eurogold A\$7,950,000 made up of cash of approximately A\$6,780,000 and Oxus shares to the value of A\$1,170,000. A cash component of A\$5,060,000 is payable on or before 31 March 2008 and the balance of A\$1.72 million by 6 May 2008.

Under the terms of the agreement entered into with IMF (Australia) Limited ("IMF") to fund the Australian Federal Court proceedings against Oxus, IMF are entitled to receive 30% of the total proceeds received from the settlement.

**Directors' Declaration**

In accordance with a resolution of the directors of Eurogold Limited, I state that:

In the opinion of the directors:

- (a) The financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position as at 31 December 2007 and the performance for the half-year ended on that date of the consolidated entity; and
  - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board

**P GUNZBURG**  
Chairman

Perth, 14 March 2008

To the members of Eurogold Limited

## **Report on the Condensed Half-Year Financial Report**

We have reviewed the accompanying half year financial report of Eurogold Limited, which comprises the balance sheet as at 31 December 2007 and the income statement, statement of changes in equity and cash flow statement for the half year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half year end or from time to time during the half year.

### *Directors' Responsibility for the Half Year Financial Report*

The directors of the 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 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 31 December 2007 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 consolidated entity's financial position as at 31 December 2007 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 and other mandatory financial reporting requirements in Australia. As the auditor of Eurogold Limited during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Independence*

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.



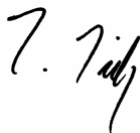
*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Eurogold Limited is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.



Ernst & Young



V W Tidy

Partner

Perth

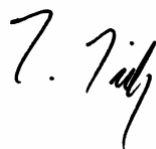
14 March 2008

### **Auditor's Independence Declaration to the Directors of Eurogold Limited**

In relation to our review of the financial report of Eurogold Limited for the half-year ended 31 December 2007, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Ernst & Young



V W Tidy  
Partner  
Perth  
14 March 2008