

Beacon Minerals Limited

(ABN 64 119 611 559)

Half Year Report

31 December 2008



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DIRECTORS' REPORT

Your directors submit the financial report of the entity for the half-year ended 31 December 2008. 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 period and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Matthew Egan	Non-Executive Chairman
Darryl Harris	Managing Director (appointed 31 July 2008)
Paul Lloyd	Executive Director
John Hebenton	Non Executive Director (appointed 31 July 2008)
Lyle Thorne	Executive Director (resigned 2 October 2008)

Review of Operations

During the period the company finalised the acquisition of Silcom Resources Limited whose assets included a Silicon development project and two highly prospective Gold exploration licences in Kyrgyzstan. Several board changes were made to bolster the companies project development expertise. Due to world economic considerations the development of these assets is currently under review.

The reverse circulation drilling program on the Barlee gold tenements in Western Australia returned highly encouraging results which included high grade gold intersections at shallow depths. Further priority targets have been defined for the next exploration program.

Various alternatives for continued funding of the company were evaluated and a rights issue was scheduled for early 2009.

The consolidated entity incurred a net loss after tax of \$ 3,908,037 during the half year to 31 December 2008.

The principal activities of the consolidated entity continue to be mineral exploration. The directors have focused the company's operation on the Barlee Gold project north of Southern Cross in Western Australia.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, 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 2 and forms part of this directors' report for the half-year ended 31 December 2008.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



Darryl Harris
Managing Director
Dated this 16h day of March 2009



Accountants | Business and Financial Advisers

Auditor's Independence Declaration

As lead auditor for the review of the financial report of Beacon Minerals Limited 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.

This declaration is in respect of Beacon Minerals Limited.



Perth, Western Australia
16 March 2009

L DI GIALONARDO
Partner, HLB Mann Judd

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HLB Mann Judd (WA Partnership) is a member of  International, a world-wide organisation of accounting firms and business advisers

**CONDENSED INCOME STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

	Notes	Consolidated	
		2008 \$	2007 \$
Revenue		12,858	4,612
Other income		12,461	9,396
Employee benefits expense		(133,030)	-
Exploration expenditure written off		(2,990,861)	-
Depreciation expense		(35,185)	(2,570)
Finance costs		(33,196)	-
Other expenses		(741,084)	(155,053)
Loss before income tax expense	2	(3,908,037)	(143,615)
Income tax expense		-	-
Net Loss after tax expense		(3,908,037)	(143,615)
Basic Loss per share (cents per share)		(5.51)	(0.42)

The accompanying notes form part of these financial statements

**CONDENSED BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Notes	31 Dec 2008 \$	30 June 2008 \$
Assets			
Current Assets			
Cash and cash equivalents		230,647	128,388
Trade and other receivables		223,143	167,306
Total Current Assets		453,790	295,694
Non-Current Assets			
Other financial assets		65,000	-
Property, plant and equipment		17,800	91,361
Deferred exploration expenditure	4	-	362,238
Total Non-Current Assets		82,800	453,599
Total Assets		536,590	749,293
Liabilities			
Current Liabilities			
Trade and other payables		80,760	34,899
Total Current Liabilities		80,760	34,899
Non-Current Liabilities			
Borrowings	5	1,556,348	477,966
Total Non-Current Liabilities		1,556,348	477,966
Total Liabilities		1,637,108	512,865
Net Assets/(Liabilities)		(1,100,518)	236,428
Equity			
Issued capital	6	3,124,416	612,584
Reserves		59,259	-
Accumulated losses		(4,284,193)	(376,156)
Total Equity		(1,100,518)	236,428

The accompanying notes form part of these financial statements

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

Consolidated	Issued Capital	Employee equity benefits reserve	Accumulated losses	Foreign Currency Translation Reserve	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2007	30,000	-	-	-	30,000
Shares issued during the period	444,001	-	-	-	444,001
Loss after tax for the half year	-	-	(143,615)	-	(143,615)
Balance at 31 December 2007	474,001	-	(143,615)	-	330,386
				-	
Balance at 1 July 2008	612,584	-	(376,156)	-	236,428
Issue of share capital	2,511,832	-	-	-	2,511,832
Loss after tax for the half year	-	-	(3,908,037)	-	(3,908,037)
Acquisition of Beacon Minerals Limited	-	-	-	(53,421)	(53,421)
Recognition of share based payments	-	112,680	-	-	112,680
Balance at 31 December 2008	3,124,416	112,680	(4,284,193)	(53,421)	(1,100,518)

The accompanying notes form part of these financial statements

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

	Note	2008 \$ Inflows/ (Outflows)	2007 \$ Inflows/ (Outflows)
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		(1,148,482)	(176,091)
Interest received		12,858	4,612
Finance costs		-	-
Income tax paid		-	-
Net cash (used in) operating activities		<u>(1,135,624)</u>	<u>(171,479)</u>
Cash flows from investing activities			
Cash acquired on purchase of Beacon Minerals Limited	3	1,243,617	-
Purchase of non-current assets		(212,919)	(33,341)
Payments for exploration expenditure		(1,315,967)	(173,409)
Net cash (used in) investing activities		<u>(285,269)</u>	<u>(206,750)</u>
Cash flows from financing activities			
Proceeds from borrowings		1,523,152	-
Proceeds from issue of shares		-	607,358
Net cash provided by financing activities		<u>1,523,152</u>	<u>607,358</u>
Net increase in cash held		102,259	229,129
Cash and cash equivalents at 1 July 2008		128,388	-
Cash at 31 December 2008		<u>230,647</u>	<u>229,129</u>

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

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

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 group 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 2008 and any public announcements made by Beacon Minerals Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

Basis of Preparation

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.

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

Adoption of New and Revised Accounting Standards

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.

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.

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.

As a result of transactions entered into during the half-year ended 31 December 2008, the following accounting policies are now applicable to the consolidated entity:

Principles of Consolidation

A controlled entity is any entity Beacon Minerals Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Where controlled entities have entered or left the consolidated entity during the half year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

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

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

Beacon Minerals Limited(BCN) acquired 100% of Silcom Resources Limited(SRL) on 31 July 2008. The acquisition was implemented by way of issuing shares of BCN to SRL shareholders. The issue of shares resulted in SRL shareholders holding a majority shareholding in BCN. Thus, this transaction has been accounted as a reverse acquisition in accordance with AASB 3

“Business Combinations” and the consolidated accounts represent a continuation of the accounts of SRL rather than that of BCN.

It is important to note that because these accounts represent a continuation of the accounts of SRL, the consolidated comparative numbers are also related to SRL operations and not of BCN's operations. As a result, these comparatives will not compare to the consolidated financial results of BCN published in prior financial reporting periods.

Business Combinations

The purchase method of accounting is used to account for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the value of the instruments is their published market price as at the date of exchange. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

SRL shareholders obtained 55.16% of the expanded share capital of BCN after the acquisition transaction. This is described as a reverse acquisition. Consequently, this financial report discloses the consolidated financial statements of the Group as if SRL is the acquirer for accounting purposes, and BCN is the acquiree for accounting purposes. The consolidated financial statements are presented as ‘an extension’ of the financial statements of SRL, the legal subsidiary.

For other purposes, including entitlement to dividends, BCN remains the parent company of the combined Group.

Reverse acquisition accounting applies only to the business combination transactions at the acquisition date and does not apply to transactions after the reverse acquisition date.

Reverse acquisition accounting applies only to the consolidated financial statements. The parent entity financial statements are those of BCN.

Because the consolidated financial statements represent a continuation of the financial statements of SRL:

- fair value adjustments arising at acquisition were made to BCN's assets, not those of SRL.

**NOTES TO THE FINANCIAL STATEMENT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- The cost of the acquisition is based on the notional amount of shares that SRL would need to issue to acquire the 44.84% of the BCN's shares that the SRL shareholders did not own after the acquisition, multiplied by the fair value of the SRL shares at the acquisition date.
- Retained earnings/accumulated losses and the other equity balances in the consolidated financial statements at the date of acquisition are the retained earnings/accumulated losses and other equity balances of SRL immediately before the acquisition.
- The amount recognised as issued equity instruments in the consolidated financial statements has been determined by adding the cost of the acquisition to the equity of SRL immediately before the business combination.
- The equity structure in the consolidated financial statements (the number and type of equity instruments issued) at the date of the acquisition reflects the equity structure of BCN, including the equity instruments issued by BCN to effect the acquisition.
- The results for the half year ended 31 December 2008 comprise the results of SRL (the acquirer for accounting purpose) and its controlled entities prior to the acquisition, and the results of BCN (the acquiree for accounting purposes).
- The results and the cash flows for the financial period ended 31 December 2007, comprise those of SRL (the acquirer for accounting purposes) and its controlled entities prior to the acquisition.
- The balance sheet presented for 30 June 2008 comprises the balance sheet of SRL and its controlled entities prior to the acquisition.

Going Concern

The consolidated entity recorded an operating loss of \$3,908,037 and a cash outflow from operating activities of \$1,135,624 for the half-year ended 31 December 2008 and at balance date, had net liabilities of \$ 1,100,518. As disclosed in Note 7, on 3 March 2009, the company closed a renounceable rights issue of shares and options to raise \$369,499 (before issue costs). The shortfall from the rights issue can be placed by Directors within three months of this date. The Directors anticipate finalisation of this placement within the allotted time period. Notwithstanding the potential injection of approximately \$1.2 million (before issue costs) from the rights issue, the Board considers that additional funding is required to ensure that the consolidated entity can continue to fund its operations and further develop its mineral exploration and evaluation assets during the twelve month period from the date of signing this financial report. Such additional funding can be derived from sources including:

- Further equity raisings; or
- The sale of assets.

According, the Directors believe that subject to prevailing equity market conditions, the consolidated entity will obtain sufficient funding to enable it to continue as a going concern and that it is appropriate to adopt this basis of accounting in the preparation of the financial report. Should the consolidated entity be unable to obtain sufficient funding as outlined above, there is significant uncertainty whether the consolidated entity will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

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

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

	31 December 2008	31 December 2007
	\$	\$
The following revenue and expense items are relevant in explaining the financial performance for the half-year:		
Revenue:		
Interest Received	12,858	4,612
Expenses:		
Employee option issue expense	200,121	-

NOTE 3: ACQUISITION OF SUBSIDIARIES

Silcom Resources Limited (SRL)

On 24 July 2008, shareholders approved the acquisition of all the issued share capital in Silcom Resources Limited, and its 100% owned subsidiary companies, the owner of four mineral exploration projects in Kyrgyzstan, Central Asia, the consideration being the issue of 43,283,580 ordinary shares at 12.5 cents per share and 42,283,580 options exercisable at 30 cents on or before 31 August 2010. The acquisition was completed on 1 August 2008.

Due to the material nature of the acquisition, the acquisition of Silcom Resources Limited was deemed a reverse acquisition for accounting purposes. Therefore the following represents the net assets of Beacon Minerals Limited and the consideration paid by Silcom Resources Limited.

The major classes of assets and liabilities comprising the acquisition of the companies as at the date of acquisition are as follows:

	\$
Cash and cash equivalents	1,243,617
Trade and other receivables	95,154
Other financial assets	240,000
Property, plant and equipment	23,202
Deferred exploration expenditure	1,371,317
Trade and other payables	(89,174)
Net assets acquired	<u>2,884,116</u>
Consideration paid	
-Ordinary shares (34,186,648 shares issued to acquire Beacon Minerals Limited)	2,236,832
Discount on acquisition	497,284
	<u><u>2,884,116</u></u>

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

NOTE 4: DEFERRED EXPLORATION EXPENDITURE

Costs carried forward in respect of areas of interest in the following phases:	31 December 2008 \$ (6 months)	30 June 2008 \$ (12 months)
Exploration and evaluation phase – at cost		
Balance at beginning of half year	362,238	173,409
Acquired as part of Silcom transaction	1,371,317	-
Expenditure incurred	1,257,306	188,829
	<u>2,990,861</u>	<u>362,238</u>
Expenditure written off	2,990,861	-
Total deferred exploration expenditure	<u>-</u>	<u>362,238</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 5: BORROWINGS

	31 December 2008 \$	30 June 2008 \$
Loan from shareholder	<u>1,556,348</u>	<u>477,966</u>

The Loan has been provided by a major shareholder and has a term of two years, interest rate of 10.5% per annum and is secured by a mortgage over the Barlee Gold project. The loan is repayable 25 September 2010.

NOTE 6: ISSUED CAPITAL

	31 December 2008 \$	30 June 2008 \$
<i>Ordinary shares</i>		
Issued and fully paid	<u>3,124,416</u>	<u>612,584</u>
	No.	\$
<i>At 1 July 2008</i>	34,186,648	612,584
<i>Movements in ordinary shares on issue</i>		
Issue of Shares as part of Silcom transaction	43,283,580	2,386,832
Issue of Shares to Director	1,000,000	125,000
At 31 December 2008	<u>78,470,228</u>	<u>3,124,416</u>

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

NOTE 6: ISSUED CAPITAL (CONTINUED)

	No
<i>Movement 20 cent options on issue</i>	
<i>At 1 July 2008</i>	16,588,352
Issue/Conversions	-
At 31 December 2008	16,588,352
<i>Movement 30 cent options on issue</i>	
<i>At 1 July 2008</i>	-
Issue of Options as part of Silcom Resources Ltd merger	42,283,580
Issue of Options to Directors	2,000,000
Issue of Options to consultants	1,000,000
At 31 December 2008	45,283,580
<i>Movement 20 cent Director options on issue</i>	
<i>At 1 July 2008</i>	6,000,000
Issue/Conversions	-
At 31 December 2008	6,000,000
<i>Movement 27 cent Employee options on issue</i>	
<i>At 1 July 2008</i>	150,000
Issue/Conversions	-
At 31 December 2008	150,000

NOTE 7: SEGMENT REPORTING

Business Segments

The entity operates in one business segment being exploration for minerals.

Geographical segments

The following table presents the revenue and results regarding geographical segments for the half-year periods ended 31 December 2008 and 31 December 2007.

	Australia	Kyrgyzstan	Eliminations	Consolidated
31 December 2008				
Continuing operations				
Segment revenue	12,210	648	-	12,858
Segment result	(2,253,810)	(1,654,227)	-	(3,908,037)

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

NOTE 7: SEGMENT REPORTING (CONTINUED)

	Australia	Kyrgyzstan	Eliminations	Consolidated
31 December 2007				
Continuing operations				
Segment revenue	4,612	-	-	4,612
Segment result	(72,623)	(70,991)	-	(143,615)

Geographical segments represent Beacon Minerals Limited's primary basis of segmentation.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

On the 6 February 2009 the Company announced a renounceable rights issue of shares and options on the basis of 3 shares and 3 attaching free options for every one share held at an issue price of 0.5 cents. The rights issue closed on 3 March 2009 and resulted in the allotment of 73,899,717 shares and 73,899,717 free options, raising \$369,499 (before issue costs). The shortfall from the rights issue of 161,512,221 shares and 161,512,221 free options can now be placed by the Directors within 3 months.

Advanced discussions are currently underway to place this shortfall with interested parties and the Directors anticipate finalisation of this placement within the allotted time period.

No other significant events occurred subsequent to the reporting date.

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes thereto, as set out on 3 to 13:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the consolidated entity's financial position as at 31 December 2008 and of its performance for the half-year then ended.
2. In the directors' opinion 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.



Darryl Harris
Managing Director

Dated this 16th day of March 2009



Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

**To the members of
BEACON MINERALS LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report, which comprises the condensed balance sheet as at 31 December 2008, the condensed income statement, condensed statement of changes in equity, condensed cash flow statement and notes to the financial statements for the half-year ended on that date, and the directors' declaration, of Beacon Minerals Limited and the entities it controlled during the half-year ended 31 December 2008 ("consolidated entity").

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 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 Interim and Other Financial Reports 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 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 Beacon Minerals 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 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.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

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Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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 Beacon Minerals Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity'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 the *Corporations Regulations 2001*.

Continuation as a Going Concern

Without qualification to the conclusion expressed above, we draw attention to Note 1 in the financial report which indicates that the consolidated entity will require additional funding to enable it to continue as a going concern. If the consolidated entity is unable to obtain this additional funding, there is significant uncertainty whether the consolidated entity will continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

HLB Mann Judd

HLB MANN JUDD
Chartered Accountants

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L DI GIALLONARDO
Partner

Perth, Western Australia
16 March 2009