

## Independent review report to the directors of Steamships Trading Company Limited

### Report on the half year financial report

We have reviewed the accompanying half year financial report of Steamships Trading Company Limited and its controlled entities (the 'Group'), which comprises the condensed statement of financial position as at 30 June 2008, and the condensed statements of financial performance, changes in equity and cash flow for the half-year then ended, other explanatory notes and the directors' declaration.

#### *Directors' responsibility for the financial report*

The directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with International Financial Reporting Standards, other generally accepted accounting practice in Papua New Guinea and with the requirements of the Papua New Guinea Companies Act 1997. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 issue a report on the half-year financial report based on our review. We conducted our review in accordance with International Standard on Review Engagements 2400 "Engagement to Review Financial Statements" 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 PNG Companies Act 1997 including: giving a true and fair view of the Group's financial position as at 30 June 2008 and its performance for the half year ended on that date; and complying with International Financial Reporting Standard IAS 34: Interim Financial Reporting and other generally accepted accounting practices in Papua New Guinea.

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. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

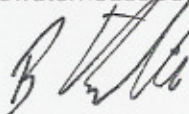
**Statement**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Steamships Trading Company Limited and its controlled entities (the Group) comprising the condensed balance sheet, condensed profit and loss statement and condensed statement of cash flows included in the attached Appendix 4D of the Australian Stock Exchange (ASX) Listing Rules, is not presented:

- so as to give a true and fair view of the Group's state of affairs as at 30 June 2008 and its results and cash flows for the half-year then ended; and
- in accordance with International Financial Reporting Standard IAS 34: Interim Financial Reporting, and other generally accepted accounting practices in Papua New Guinea.

*PricewaterhouseCoopers*

PricewaterhouseCoopers



By: Brett Entwistle  
Partner

Port Moresby, Papua New Guinea  
19 August 2008