Appendix 4D

Interim final report

Half year ended 31 December 2012

Revenues from ordinary activities	down	-53.71%	to	$	26,219
Loss from ordinary activities after tax attributable to members	down	-56.13%	to	$	(247,437)
Net loss for the period attributable to members	down	-56.13%	to	$	(247,437)

No final dividend has been declared for the current period and no dividend was declared or paid for the previous period.

The net tangible assets (NTA) per security as at 31 December 2012 was $0.0178 (2011:$0.0653).

The accounts have been reviewed by the Auditors.

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DIRECTORS' REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

The Directors of Monteray Mining Group Ltd present the following report for the half-year ended 31 December 2012:

DIRECTORS

The Directors in office at any time during the half year and until the date of this report are set out below:

Name	Period of Directorship
Kevin John Dart Chairman/Non-Executive Director	Director since 2005
Alexander Barblett Non-Executive Director	Appointed 21 December 2010
John Hannaford Non-Executive Director	Appointed 21 December 2010
Andrew Habets Non-Executive Director	Appointed 24 October 2012

REVIEW OF OPERATIONS AND RESULTS

Net loss after income tax of the Company for the six months ended 31 December 2012 was $247,437 (2011: loss $563,981). This loss was impacted by general running costs.

BURKINA FASO

Monteray previously announced two acquisitions covering a total of 8 gold exploration permits in Burkina Faso.

Following Shareholder approval in September 2012, the Company completed both acquisitions. Monteray's portfolio of gold permits in Burkina Faso covers 8 permits in 3 regions of prolific gold endowment, covering a total of 1,178km^2 of highly prospective Birimian greenstone belt. The permits are all along known gold-bearing structures, and several have extensive artisanal workings.

Pepin & Guimba Permits

<u>Auger Drilling Results and Analysis</u>
The Pepin & Guimba permits cover a total area of 500km^2 and include the south western extension of the Sebacé Shear Zone, along strike from High River Gold's 1.8Moz Bissa project.

The Company completed an auger drilling program on the southern portion of the Pepin permit, ("Pepin South) during the period, with results received and analysed.

A total of 780 auger holes were drilled at Pepin South at a spacing of 200m on lines 400m apart covering an area of 74km^2.

Analysis and imaging of the results has found that cohesive gold anomalism has been highlighted with a distinct north-easterly trend that parallels the main structural corridor and Sebacé shear zone that host the 1.8Moz Bissa Mine. The main anomaly in the centre of the drilled area is in line with artisanal sites, but anomalism has also been picked up in areas with no past workings. The main anomaly has a strike length of 3km centred on an old artisanal workings. Results of up to 288ppb Au have been received and are plotted on Figure 1.

DIRECTORS' REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

REVIEW OF OPERATIONS AND RESULTS continued

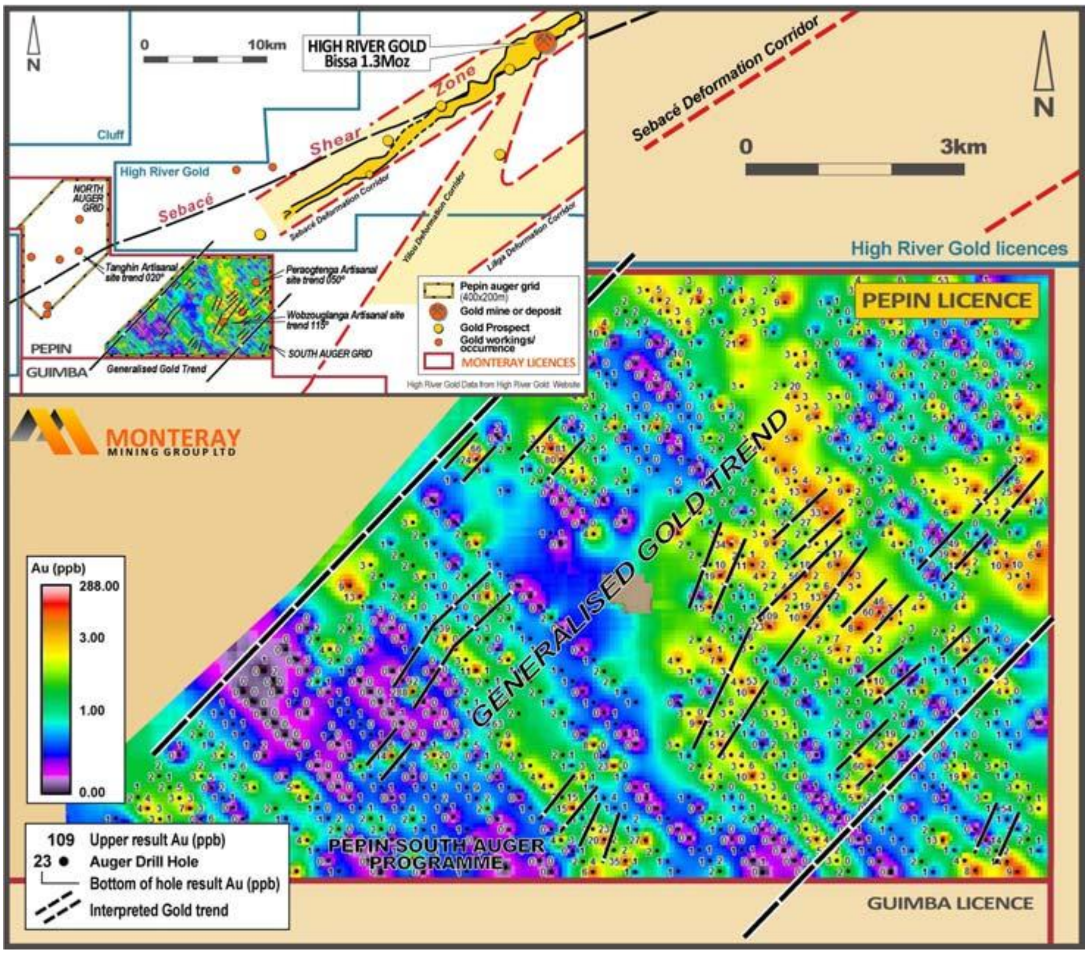

Figure 1: Pepin South Auger drill gold contour image with upper and bottom of hole Au ppb results plotted next to hole, showing interpreted gold anomaly trends

Auger drilling is on-going on the Pepin North grid with samples being sent for analysis at regular intervals. First results from this drilling have been received and is being analysed.

<u>Further Exploration at Pepin South</u>
Detailed Geological mapping onto aerial photos is scheduled to start at Pepin South in early February 2013. Mapping over the whole Pepin South grid at a 1:5000 scale and over the anomalous areas and artisanal sites at 1:2500 scale will be completed. Rock chip samples will also be taken where appropriate.

RC drilling and trenching of the auger defined anomalous areas is planned to commence in March 2013. The size and continuity of the anomalies has allowed the Company to fast track the exploration program.

Mana Region – 5 Permits
During the period, the Company completed ground recognisance and data review over its Mana region permits. This was to follow up the successful MMI soil sampling program conducted over the Tigan permit during the September quarter which identified significant gold anomalism. (See Figure 2).

DIRECTORS' REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

REVIEW OF OPERATIONS AND RESULTS continued

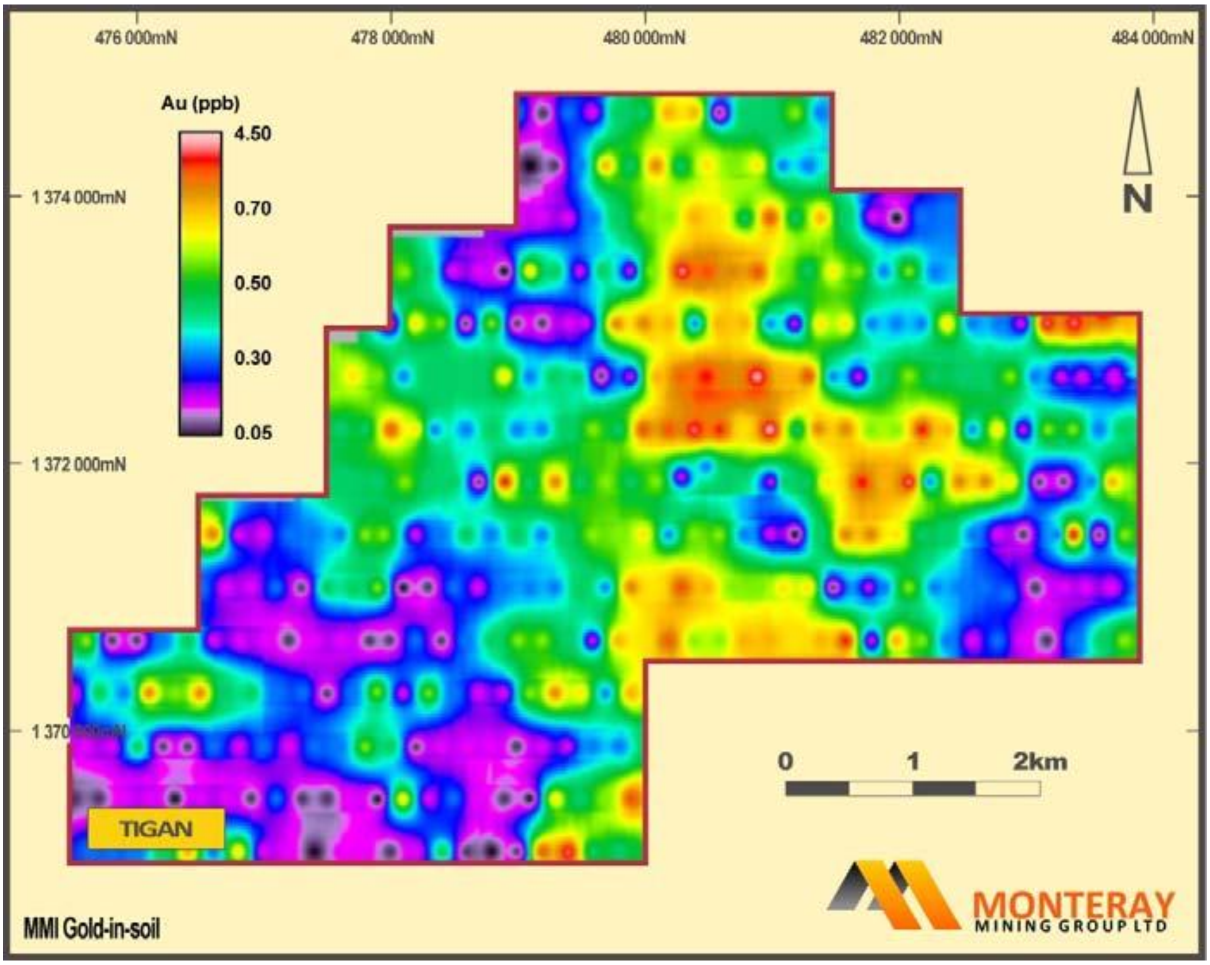

Figure 2: The Tigan permit with MMI gold in soil results plotted showing two distinct anomalies highlighted in the hot

Results show that there is a large (2.8 km x 1.5 km), distinct and cohesive anomaly for gold in the eastern sector of the Tigan lease with a second separate and smaller anomaly below.

This MMI gold in soil anomalism is orientated in a north-westerly direction. The 6.8Moz SEMAFO Mana gold mine, located 60km to the south, as well as the adjacent Oula permit also being drilled by SEMAFO, is related to one of these strong north-east trending structures. The MMI multi-element results confirm strong anomalism in the north and central part of the lease.

Auger drilling on the Tigan permit, which is along strike and on the same Mana Shear Zone structure as SEMAFO'S 6Moz Au Mana mine, is planned for 2013. The planned 3,500m program is to further delineate the soil anomalies.

REVIEW OF OPERATIONS AND RESULTS continued

WESTERN AUSTRALIA
The Western Australian gold project portfolio comprises five exploration tenements covering 2,218 hectares. With the exception of the Malcolm King tenement, all tenements are located east of Mt Monger in an area proximal to Integra's Majestic gold project.

E25/333 – 'Triple 3' Prospect
During the quarter, Monteray completed its maiden RC drilling program at the Triple 3 Project in the Eastern Goldfields of Western Australia. A total of 12 holes were drilled for 1,228 metres. The drilling followed up on historic high grade intercepts in RAB drilling as well as testing the prospective granite contact zone and shear related quartz veining within the granite, intercepted in a historic diamond core hole.

The drill program was designed to test for gold at greater depths and extent in the granite and granite contact, a target similar to the Majestic Deposit located 8km to the north. Follow up twinning of previous high grade RAB (HRRB008) intercepts by MTRC001 failed to replicate the results although similar lithologies and sulphides were intercepted, with the best results being 16m at 0.39g/t Au from 44m.

At the granite greenstone contact abundant pyrite was intersected along with quartz over a 20m width in MTRC002 but was only weakly anomalous for gold. An historical quartz vein intercept (HRDD002) was intersected up-dip and returned the best result of 8m at 3.72g/t Au in MTRC008.

BOARD AND MANAGEMENT APPOINTMENTS
During the December quarter, the Company appointed Mr Andrew Habets as Non Executive Director. Mr Habets joined the board upon completion of the acquisition of Eburnean Resources SARL.

The Company also appointed Mr Mike Edwards to the position of Chief Executive Officer. Mr Edwards is a geologist and economist who brings a broad range of experience to the position.

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

The Auditor's Independence Declaration is set out on page 5 and forms part of the Directors' Report for the half year ended 31 December 2012.

Signed in accordance with a resolution of the Directors.

Kevin Dart
Chairman

28 February 2013
Gold Coast

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AUSTRALIA

DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF MONTERAY MINING GROUP LTD

As lead auditor for the review of Monteray Mining Group Ltd for the half-year 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
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect Monteray Mining Group Ltd and the entities it controlled during the period.

James Mooney
Partner

BDO East Coast Partnership

Melbourne, 28 February 2013

MONTERAY MINING GROUP LTD

DIRECTORS' DECLARATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

In the Directors' opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 *'Interim Financial Reporting'*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5) of the Corporations Act 2001.

On behalf of the Directors

Kevin Dart
Chairman

28 February 2013
Gold Coast

MONTERAY MINING GROUP LTD

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	31-Dec-12 $	31-Dec-11 $
Revenue	26,219	56,640
Administration expenses	(121,516)	(118,785)
Director benefits	(45,940)	(40,875)
Professional fees	(29,766)	(116,759)
Share based payments	(7,398)	(276,724)
Exploration expenses	(37,216)	(29,680)
Other expenses	(31,820)	(37,798)
Loss before income tax	(247,437)	(563,981)
Income tax expense	-	-
Loss for the period	(247,437)	(563,981)
Other comprehensive income		
Net fair value loss on available-for-sale financial assets	-	-
Other comprehensive income for the period, net of income tax	-	-
Total comprehensive income for the period	(247,437)	(563,981)
Earnings per share		
Basic loss per share (cents per share)	(0.65)	(1.79)
Diluted loss per share (cents per share)	(0.65)	(1.79)

The above statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	Note	31-Dec-12 $	30-Jun-12 $
CURRENT ASSETS			
Cash and cash equivalents		656,882	1,895,844
Trade and other receivables		19,010	11,026
Total current assets		675,892	1,906,870
NON-CURRENT ASSETS			
Exploration and evalation expenditure	3	2,555,736	891,707
Property, plant and equipment		595	793
Total non-current assets		2,556,331	892,500
Total assets		3,232,223	2,799,370
CURRENT LIABILITIES			
Trade and other payables		180,650	66,734
Total current liabilities		180,650	66,734
Total liabilities		180,650	66,734
NET ASSETS		3,051,573	2,732,636
EQUITY			
Contributed equity		10,566,527	10,057,527
Reserves		1,968,605	1,911,231
Accumulated losses		(9,483,559)	(9,236,122)
TOTAL EQUITY		3,051,573	2,732,636

The above statement of financial position is to be read in conjunction with the attached notes.

MONTERAY MINING GROUP LTD

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	Share Capital	Share Option Reserve	Accumulated Losses	Total Equity
	$	$	$	$
Balance at 1 July 2011	10,057,527	1,634,507	(8,491,474)	3,200,560
Total comprehensive income for the period				
Profit or loss			(563,981)	(563,981)
Other comprehensive income				
Changes in fair value of available-for-sale financial assets	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	(563,981)	(563,981)
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Shares issued, net of transaction costs	-	-	-	-
Options issued	-	276,724	-	276,724
Total transactions with owners	-	276,724	-	276,724
Balance at 31 December 2011	10,057,527	1,911,231	(9,055,455)	2,913,303
Balance at 1 July 2012	10,057,527	1,911,231	(9,236,122)	2,732,636
Total comprehensive income for the period				
Profit or loss			(247,437)	(247,437)
Other comprehensive income				
Changes in fair value of available-for-sale financial assets	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	(247,437)	(247,437)
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Shares issued, net of transaction costs	509,000	-	-	509,000
Options issued	-	57,374	-	57,374
Total transactions with owners	509,000	57,374	-	566,374
Balance at 31 December 2012	10,566,527	1,968,605	(9,483,559)	3,051,573

The above statement of changes in equity is to be read in conjunction with the attached notes.

MONTERAY MINING GROUP LTD

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

	31-Dec-12	31-Dec-11
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	26,065	56,640
Payments to suppliers and employees	(564,219)	(363,744)
Net cash utilised in operating activities	(538,154)	(307,104)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of investments	(700,808)	-
Net cash utilised in investing activities	(700,808)	-
Net decrease in cash held	(1,238,962)	(307,104)
Cash and cash equivalents at beginning of period	1,895,844	2,344,065
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	656,882	2,036,961

The above statement of cash flows is to be read in conjunction with the attached notes.

MONTERAY MINING GROUP LTD

NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The half-year financial report is a general purpose financial report prepared in accordance with AASB 134 'Interim Financial Reporting' and the Corporations Act 2001.

The half-year 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 investing activities of the consolidated entity. The half-year financial report should be read in conjunction with the annual financial report of Monteray Mining Group Ltd as at 30 June 2012 which was prepared in accordance with the requirements of the Corporations Act 2001 and applicable Australian Accounting Standards. It is also recommended that the half-year financial report be considered together with any public announcements made by the parent entity during the period 1 July 2012 to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

(a) Basis of accounting

The half-year financial report has been prepared on the basis of historical cost, except where stated. For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

The half-year financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

(b) Accounting policies

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 2012 annual financial report for the financial year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements.

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

1. SIGNIFICANT ACCOUNTING POLICIES continued

Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

(c) Comparatives
Where necessary, comparatives have been reclassified and repositioned for consistency with the current period's disclosures.

The half year financial report was approved by the Board of Directors on 28 February 2013.

2. SEGMENT INFORMATION

	Mineral Exploration		Total	
	31-Dec-12	**31-Dec-11**	**31-Dec-12**	**31-Dec-11**
Revenue				
Sales to external customers	-	-	-	-
Other revenue	26,219	56,640	26,219	56,640
Total segment revenue per statement of profit or loss and comprehensive income	26,219	56,640	26,219	56,640
Result				
Segment result	(247,437)	(563,981)	(247,437)	(563,981)
Segment assets				
Segment operating assets	3,232,223	2,950,013	3,232,223	2,950,013
Total assets per statement of financial position			**3,232,223**	**2,950,013**

3. EXPLORATION AND EVALUATION EXPENDITURE

	31-Dec-12	**30-Jun-12**
	$	**$**
Costs carried forward in respect of area of interest in:		
- exploration and evaluation phases	2,555,736	891,707
	2,555,736	891,707
Opening balance	891,707	891,707
Expenditure during the period	413,246	-
Acquisitions during the period (a)	1,250,783	-
Closing balance	2,555,736	891,707

3. EXPLORATION AND EVALUATION EXPENDITURE continued

Ultimate recoupment of these costs is dependent on successful development and commercial exploration or alternatively sale of the respective areas of interest.

(a) Fair value consideration paid for the acquisition of intangible assets -

	$
- cash	700,807
- shares	500,000
- fair value of options	49,976
	1,250,783

On 8 October 2012 the Company acquired 100% of the issued shares in Vema Resources Pty Ltd and on 15 October 2012 the Company acquired 100% of the issued shares in Eburnean Resources SARL. Both acquisitions related to 8 permits covering 1,178km^2 of un-drilled prospective Birimian greenstone belt.

Vema Resources Pty Ltd (Vema) hold interests in three gold exploration permits covering 416km^2 of highly prospective ground located in central western Burkina Faso, West Africa.

The consideration for the acquisition of Vema:

1. $80,000 cash;
2. 2.85million Monteray shares;
3. 1million Monteray options exercisable at 30 cents within 3 years;
4. 1million Monteray options exercisable at 40 cents within 4 years;
5. 1million performance shares convertible to ordinary shares upon Monteray achieving a JORC indicated resource of >500,000 oz of Au of >1.5g/t Au;
6. 1million performance shares convertible to ordinary shares upon Monteray achieving a JORC indicated resource of >1,000,000 oz of Au of >1.5g/t Au.

Eburnean Resources sarl, a Burkinabe entity ("Eburnean") hold five granted exploration permits covering an area of 762km^2 in Burkina Faso. The Eburnean acquisition complements the Company's existing three permits from the Vema Acquisition.

The consideration for the acquisition of Eburnean Resources sarl:

1. Monteray was granted a 45 day exclusivity period to conduct legal and technical due diligence in consideration for a payment of $20,000;
2. The consideration payable to Eburnean BVI for the Eburnean Acquisition is:
   (a) the issue of 3.4 million shares in Monteray; and
   (b) the payment of $600,000 in cash;
3. at completion of the Eburnean Acquisition Mr Andrew Habets will be appointed as a non-executive director. Mr Habets will be issued 1 million unlisted options in Monteray, subject to shareholder approval.

The Company recognised acquisition of these licences as exploration and evaluation expenditures in accordance with the requirements of AASB 6.

4. CONTINGENT LIABILITIES AND ASSETS

The only change in contingent assets or contingent liabilities since the last annual report relates to the performance shares for the Vema acquisition discussed above.

5. GOING CONCERN

The consolidated entity has incurred a loss after tax for the half year ended 31 December 2012 of $247,437 and had net cash outflows from operating activities of $538,154. The ability of the consolidated entity to continue as a going concern is dependent upon a number of factors, one being the continuation and availability of funds. These conditions indicate a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern.

The financial statements have been prepared on the basis that the consolidated entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- As at 31 December 2012, the consolidated entity had cash and cash equivalents of $656,882.
- On 21 February 2013, the Company announced a capital raising of approximately $1.65 million through placement of 9.47 million shares and rights issue of 23.69 million shares at $0.05 per share.
- The consolidated entity's indicative cash flow forecast for the next twelve months includes significant cash out flows in relation to exploration and evaluation expenditure, which if need be, can be deferred or eliminated by the sale, joint venture or relinquishment of mining tenements. The consolidated entity has some discretion over the quantum and timing of this type of expenditure.
- Management of the consolidated entity will actively manage the current level of discretionary expenditures in line with the funds available to the consolidated entity.

Based on the above, the directors are satisfied that, adequate plans are in place and that the Company will have positive cash flows for a period of not less than 12 months from the date of this review report. On this basis the financial report has been prepared on the going concern basis.

This financial report does 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 necessarily incurred should the consolidated entity not continue as a going concern.

6. SIGNIFICANT AFTER BALANCE DATE EVENTS

On 21 February 2013 the Company announced a capital raising of $1.65 million to fund drilling programs for its Pepin South prospect as well as other regional exploration and working capital.

The capital raising comprises:

- A placement of up to 9.475 million ordinary shares at an issue price of $0.05 to raise approximately $0.47M.
- A 1 for 2 Rights Issue of approximately 23.687 million ordinary shares at an issue price of $0.05 to raise approximately $1.184M.

Other than the above there are no matters or circumstances that have arisen since the end of the financial period which have significantly affected or may significantly affect the operations of the Company, the results of the operations, or the state of affairs of the Company in future financial periods other than those mentioned in the interim financial report.

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Monteray Mining Group Ltd

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Monteray Mining Group Ltd, which comprises the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's 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 of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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 the procedures described, we have become aware of any matter that makes us believe that the half-year 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 2012 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 Monteray Mining Group Ltd, 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Monteray Mining Group Ltd, would be in the same terms if given to the directors as at the time of this auditor's review 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 half-year financial report of Monteray Mining Group Ltd 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 2012 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 5 "Going Concern" in the financial report, which indicates that the consolidated entity incurred a net loss of $247,437 for the half year, and had net cash outflows from operating activities of $538,154. These conditions, along with other matters as set forth in Note 5, give rise to a material uncertainty which may cast significant doubt about the ability of the consolidated entity to continue as a going concern, and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO East Coast Partnership

James Mooney
Partner

Melbourne, 28 February 2013