



NAVAHO GOLD LIMITED
ACN: 068 958 752

HALF-YEAR FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2011

Directors' Report

Your Directors present their report on the company and its controlled entities for the half-year ended 31 December 2011. Navaho Gold Limited (the "Company") is a public company limited by shares that is incorporated and domiciled in Australia.

DIRECTORS

The names of the Directors in office at any time during or since the end of the period are:

Nicholas Mather (Non-Executive Chairman)
Brian Moller (Non-Executive Director)
Mark Dugmore (Chief Executive Officer)
Bob Skrzeczynski (Non-Executive Director)
Ben Harrison (Non-Executive Director)

Directors have been in office since the start of the half-year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the Company and its subsidiaries (together "Navaho Gold" or the "Group") are gold and mineral exploration in Nevada, the United States of America and Queensland, Australia. There was no significant change in the nature of the activities of the Group during the period ended 31 December 2011.

REVIEW AND RESULTS OF OPERATIONS

The loss after income tax for the Group for the half-year ended 31 December 2011 was \$941,331 (31 December 2010: \$636,002).

At the Stevens Basin project, central Nevada, a 2nd phase of eight (8) reverse circulation (RC) drilling was completed for 1,031.8m bringing the total to 22 RC holes for 3,692m. The 2nd phase was designed to test the western side of the project area where low grade gold (Au) mineralisation was intersected in the 1st phase of drilling (SB11-09; 15.2m @ 0.18 g/t Au) plus test new areas of anomalous soil Au geochemistry associated with structures identified in the geophysical data acquired by Navaho Gold. Six (6) drill holes intersected anomalous Au (>10ppb) and arsenic (As) (>50ppm), antimony (Sb) (>20ppm) and thallium (Tl) (>0.5ppm) geochemistry indicative of Carlin style mineralisation. However, drilling failed to extend the Au mineralisation in the previous hole SB11-09 nor identify new Au zones.

Ten (10) RC drill holes were drilled in the Rose Mine project, central Nevada, for a total of 1,603.7m. Drilling was designed to test both a historic drill hole Au intersection by a previous explorer (44m @ 0.26 g/t Au from 24m) and several regional soil geochemical and geophysical anomalies. Drilling results failed to identify any significant Au or silver (Ag) mineralisation with only three (3) drill holes intersecting anomalous Au and one (1) hole intersecting anomalous Ag (> 1g/t). Anomalous As, Sb and Tl geochemistry was intersected in several holes, however, except for one hole (RM11-09) in the north part of the project these anomalous zones were patchy or narrow.

Eleven (11) RC drill holes were drilled at the Whitehorse Flats project, western Nevada, for a total of 2,206m. Drilling was designed to test the down-dip extensions of silicified outcrop with rock chip samples ranging from 0.32 to 1.82 ppm Au, in addition to several regional structural targets identified in Navaho Gold's gravity data. Three (3) drill holes intersected low grade Au zones; WH11-04 intersected 13.7m @ 0.43g/t Au from 85.4m, this includes a zone (at a cut-off 0.3g/t Au) of 9.1m @ 0.56 g/t Au. Drill holes WH11-01 and WH11-011, designed to test the anomalous rock chips, intersected 6.1m @ 0.15g/t Au from 62.5m and 7.6m @ 0.34g/t Au from 1.5m, respectively. Results from this drilling used in conjunction with historic drilling by the Energy Reserve Group in 1981 (SH9, 6.1m @ 0.49g/t Au from 79.3m and SH11, 61m @ 0.64g/t Au from 39.6m) indicates a potential 1.7km x 500m zone of shallow low grade Au mineralisation.

One diamond drill hole was drilled at the Taz project, central Nevada, for a total of 732m. The hole was designed to test mineralisation intersected by BHP in 1996 (21.3m @ 1.44g/t Au from 65.5m) and favourable lower plate calcareous rock below this. Breccia zones and strong alteration, in the form of de-calcification, calcite veining and re-mobilised carbon, were located near the bottom of the hole. The hole was terminated after drilling 62m of what is thought to be a near vertical, post-mineralisation, mafic dyke which appears to intrude the target zone. Final results from the "TAZ 11-01" are pending.

Drilling commenced at Utah Clipper, central Nevada, and at the time of reporting, the diamond drill hole was at 856m in the thrust zone.

Work at the Carlin East project, northern Nevada, involved a ground gravity survey consisting of 576 stations on 200m by 200m grid covering approximately 20km². Twenty (20) stream sediments were also collected around the northern and north eastern end of the claims area. The gravity data were modelled and used in conjunction with purchased magnetic data and soil sampling (carried out by Navaho Gold and partners, Genesis Gold Corp) to target future drilling. Results from the stream sediment samples defined several anomalous Au/As/Sb drainage basins and resulted in the acquisition of 123 new claims covering approximately 10km² around the northern end of the project.

Reconnaissance geological mapping and rock chip sampling was carried out at the Mopung Hills project, western Nevada. A total of 239 rocks were collected with 14 samples returning above 0.1g/t Au with a maximum of 0.96g/t Au. A further 136 claims totalling approximately 11.4km² were staked as a result of this work.

The Tobin project was handed back to the vendors, Genesis Gold Corp, and the Canby project claims were allowed to lapse, after poor soil sampling results were returned at both projects.

Navaho entered into an agreement with Genesis Gold Corp (Genesis), a private corporation based in Utah, to form an alliance to explore for Carlin-style gold deposits in New Mexico. This alliance heralds a significant expansion in Navaho Gold's Western USA Carlin-style gold exploration initiative and potentially places Navaho as the first mover in a new gold province. The alliance has secured an initial tenure position over several prospects with potential to yield world-class gold discoveries similar to the Carlin-style gold deposits in the prolific gold province of Nevada. Initial first pass rock chip sampling has been completed over all prospects with each returning highly anomalous values for gold, silver, arsenic and antimony, all indicative of Carlin-style mineralised systems. The Alliance is conducting further exploration and reconnaissance in order to extend tenement coverage over prospective targets.

At the Texas project, South East Queensland, reconnaissance geological mapping was carried out and 153 stream sediment samples, 137 soil samples and 11 rock chip samples were collected. The stream sediment sampling highlighted two areas of anomalous As, Sb and TI, at the Catfish and Nabwood prospects. Gold (Au) values were low but elevated in the Catfish creek area. Soils sampling was carried out at the northern end of the Catfish prospect but failed to define a Au anomaly, although As, Sb and TI were elevated at the end of several lines. Unfortunately, soil sampling was interrupted by heavy, unseasonal rains and not completed. No soil sampling was carried out at the Nabwood prospect due to poor weather conditions. Rock chip sampling to date has not returned anomalous geochemistry.

Stream sediment sampling continued at the Bowen Project, central east Queensland with the collection of 24 samples but these failed to return anomalous geochemistry. A total of 1437 soils samples were collected on regional grids in six (6) areas within the project tenements. Soil sampling results defined a patchy 900m by 400m copper (Cu) anomaly (>200ppm Cu) at Mt Clarke near several small historic Cu occurrences. Magnetics data indicate a small granite stock is located under the area. Gold (Au) in the Mt Clarke soils was not anomalous with the majority of the values being below 5ppb, although 1 sample did record 541ppb (0.54ppm). Soil sample results in the other grids failed to record anomalous Au and the As, Sb and TI geochemistry was low. Fifty six (56) rock chip samples were collected through the project area. The highest Au value was 1.16g/t Au in mullock from the old abandoned Edith Mary mine. Three (3) 0.1g/t to 0.16g/t Au values were recorded in mullock samples from the Mt Clarke Cu occurrences. Rock-chips taken elsewhere in the project area failed to return anomalous Au nor other indicated geochemistry. One (1) new tenement covering 160km² was applied for and awaits granting.

Field reconnaissance geological mapping were carried out at the Candlow project in north QLD, and 53 regional rock chips plus 303 gridded (200m x200m) soil and 58 rock chips (in lieu of soil cover) were collected. Rock chips of a ferruginous laminate quartz veining at the Munitions Creek prospect recorded up to 2.71g/t Au. Other rock chips of ferruginous and carbonaceous Candlow Formation taken throughout the project area recorded highly elevated As with 17 samples returning >200ppm As and maximum of 1490ppm As. Antimony (Sb) and TI levels were also anomalous in several samples. The gridded soils and rock chips over the Red Dam prospect defined a 1.2km x 0.8km zone of anomalous As (>30ppm) with a broad Sb and TI halo over a zone of strong magnetite depletion noted in the magnetic data. Gold (Au) in the soils and rock chips was low with only 7 samples over 5ppb and was much less definitive than the As.

MATTERS SUBSEQUENT TO THE HALF YEARLY FINANCIAL PERIOD

The Directors are not aware of any significant change in the state of affairs of the Company after the balance date that is not covered in this report.

AUDITOR'S INDEPENDENCE DECLARATION

The Directors received an independence declaration from the auditor of Navaho Gold Limited. This is attached on page 14 of this report.

Signed in accordance with a resolution of the board of Directors.



Mark Dugmore
Director
Brisbane
1 March 2012

Competent Persons Statement

The information herein that relates to Exploration Results is based on information compiled by Mark Dugmore B.App.Sc, MSc, who is a Member of The Australian Institute of Mining and Metallurgy. Mr Dugmore is employed by Navaho Gold Ltd.

Mr Dugmore has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2011

		31 December 2011	31 December 2010
	Notes	A\$	A\$
Revenue	3	125,688	1,498
Employee benefits expense		(78,276)	(58,166)
Exploration costs written-off		(438,653)	(500)
Legal expense		(22,205)	(48,057)
Share based payments expense		-	(261,000)
Administration and consulting expense		(527,615)	(248,551)
Finance costs		(270)	(21,226)
Loss before income tax		(941,331)	(636,002)
Income tax expense		-	-
Loss for the period	3	(941,331)	(636,002)
Other comprehensive income		-	-
Total comprehensive income for the period		(941,331)	(636,002)

		2011 cents	2010 cents
	Notes		
Basic and diluted loss per ordinary share			
- basic and diluted loss per ordinary share (cents per share)	4	(1.0)	(2.3)

The above consolidated statement of comprehensive income should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position at 31 December 2011

	Notes	31 December 2011 A\$	30 June 2011 A\$
Assets			
Current assets			
Cash and cash equivalents	5	3,605,469	7,233,116
Trade and other receivables		82,063	83,220
Total current assets		3,687,532	7,316,336
Non-current assets			
Other financial assets		51,501	49,001
Property, plant and equipment		60,837	58,973
Exploration and evaluation assets	6	4,825,737	2,203,964
Total non-current assets		4,938,075	2,311,938
Total assets		8,625,607	9,628,274
Current liabilities			
Trade and other payables		96,150	183,554
Provisions		9,634	7,948
Other financial liabilities		14,236	13,504
Total current liabilities		120,020	205,006
Non-current liabilities			
Other financial liabilities		38,099	45,405
Total non-current liabilities		38,099	45,405
Total liabilities		158,119	250,411
Net assets		8,467,488	9,377,863
Equity			
Issued capital	7	10,795,553	10,764,597
Reserves		819,618	819,618
Accumulated losses		(3,147,683)	(2,206,352)
Total equity		8,467,488	9,377,863

The above consolidated statement of financial position should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity for the half-year ended 31 December 2011

	Issued capital \$	Accumulated losses \$	Option Reserves \$	Total \$
Balance at 1 July 2010	1,146,448	(1,022,892)	-	123,556
Net loss for the period	-	(636,001)	-	(636,001)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(636,001)	-	(636,001)
Shares issued during the period	1,610,000	-	-	1,610,000
Share options granted	-	-	497,000	497,000
Balance at 31 December 2010	2,756,448	(1,658,893)	497,000	1,594,555
Net loss for the period	-	(547,459)	-	(547,459)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(547,459)	-	(547,459)
Shares issued during the period	9,000,000	-	-	9,000,000
Shares issued during the period	(991,851)	-	-	(991,851)
Share options granted	-	-	322,618	322,618
Balance at 30 June 2011	10,764,597	(2,206,352)	819,618	9,377,863
Net loss for the period	-	(941,331)	-	(941,331)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	(941,331)	-	(941,331)
Shares issued during the period	30,956	-	-	30,956
Balance at 31 December 2011	10,795,553	(3,147,683)	819,618	8,467,488

The above consolidated statement of changes in equity should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows for the half-year ended 31 December 2011

		31 December 2011	31 December 2010
	Notes	A\$	A\$
Cash flows from operating activities			
Payments to suppliers and employees		(639,925)	(413,147)
Interest received	3	94,110	1,498
Interest paid		(270)	(21,226)
Net cash outflow from operating activities		(546,085)	(432,875)
Cash flows from investing activities			
Payments for investments		-	(4,000)
Payments for security deposits		(2,500)	-
Purchase of property, plant and equipment		(8,361)	-
Payments for exploration and evaluation		(3,064,127)	(529,626)
Net cash outflow from investing activities		(3,074,988)	(533,626)
Cash flows from financing activities			
Proceeds from the issue of ordinary share capital		2,000	1,000,000
Payment of share issue costs		-	(101,093)
Repayment of finance lease liabilities		(8,574)	-
Loan from Director related entity		-	389,777
Net cash inflow from financing activities		(6,574)	1,288,684
Net increase / (decrease) in cash and cash equivalents		(3,627,647)	322,183
Cash and cash equivalents at beginning of period		7,233,116	5,608
Cash and cash equivalents at end of period	5	3,605,469	327,791

The above consolidated statement of cash flows should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Corporate information

The financial report of Navaho Gold Limited (the "Company") for the half year ended 31 December 2011 was authorised for issue in accordance with a resolution of the directors on 1 March 2012. Navaho Gold Limited is a public company limited by shares that is incorporated and domiciled in Australia.

Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2011 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The financial statements are presented in Australian dollars and have been prepared on the historical cost basis.

This half-year report does not include all the 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 Group as the full financial statements. Accordingly, this half-year financial report is to be read in conjunction with the annual financial report for the year ended 30 June 2011.

The same accounting policies and methods of computation have generally been followed in this half-year financial report as compared with the most recent annual financial report.

Going concern

The half-year report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The Group has not generated revenues from operations. As such, the Group's ability to continue to adopt the going concern assumption will depend upon a number of matters including subsequent successful raising in the future of necessary funding and the successful exploration and subsequent exploitation of the Group's tenements. In the absence of these matters being successful, there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

Comparatives

When required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

2. SEGMENT INFORMATION

Navaho Gold Limited operates predominantly in one business being in the mining industry, and two geographic locations, being Australia and the United States of America. No sales revenue from this activity has been earned to date as Navaho Gold Limited is still in the exploration and evaluation stage.

Geographical Segment	Australia		USA		Eliminations		Total	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
Revenue	125,688	1,498	-	-	-	-	125,688	1,498
Operating result	(794,745)	(634,692)	(142,419)	(1,310)	-	-	(941,331)	(636,002)
Total assets	8,625,607	1,669,061	3,889,718	364,687	(3,889,718)	(364,687)	8,625,607	1,669,061
Total liabilities	158,119	74,506	3,889,718	364,687	(3,889,718)	(364,687)	158,119	74,506

Notes to the Consolidated Financial Statements

	31 December 2011 A\$	31 December 2010 A\$
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NOTE 3 REVENUES AND EXPENSES

Included in the profit / (loss) are the following revenues and expenses:

Interest revenue - external parties	125,688	1,498
	<u>125,688</u>	<u>1,498</u>
Depreciation		
- Leased motor vehicles	6,258	-
- Office equipment	239	-
Defined contribution superannuation expense	12,588	7,546

NOTE 4 LOSS PER SHARE

Earnings in cents per ordinary share:

Basic loss per share - cents	(1.0)	(2.3)
Diluted loss per share - cents	(1.0)	(2.3)
Net loss used in calculating basic and diluted loss per share	(941,331)	(636,002)

	Number	Number
Weighted average number of ordinary share used in the calculation of basic estimated diluted loss per share	92,718,503	27,571,403

The options are non-dilutive as the Group is in losses.

	31 December 2011 A\$	30 June 2011 A\$
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NOTE 5 CASH AND CASH EQUIVALENTS

Cash at bank and on hand	1,152,616	825,784
Short-term deposits	2,452,853	6,407,332
	<u>3,605,469</u>	<u>7,233,116</u>

Notes to the Consolidated Financial Statements

	31 December 2011 A\$	30 June 2011 A\$
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NOTE 6 EXPLORATION AND EVALUATION ASSETS

Carrying amount at the beginning of the period	2,203,964	381,458
Additions	3,031,470	1,642,340
Share based payments capitalised	28,956	236,000
Exploration expenditure written off	(438,653)	(55,834)
Carrying amount at the end of the period	4,825,737	2,203,964

NOTE 7 ISSUED CAPITAL

a) Issued capital

92,835,236 (30 June 2011: 92,562,000) ordinary shares fully paid up	11,787,404	11,756,448
Share issue costs	(991,851)	(991,851)
	10,795,553	10,764,597

b) Movement in ordinary shares

At the beginning of the reporting period	92,562,000	16,800,000
Shares issued during the period	273,236	75,762,000
At reporting date	92,835,236	92,562,000

c) Movement in number of ordinary shares on issue

Shares at the beginning of the reporting period	92,562,000	16,800,000
- 1 October 2010 (1)	-	13,333,333
- 11 November 2010 (2)	-	17,428,667
- 11 April 2011 (3)	-	45,000,000
- 5 July 2011 (4)	10,000	-
- 20 September 2011 (5)	263,236	-
Shares at the reporting date	92,835,236	92,562,000

- (1) On 1 October 2010, 13,333,333 \$0.075 ordinary shares were issued as a result of a seed capital raising.
- (2) On 11 November 2010, 17,428,667 \$0.035 ordinary shares were issued to D'Aguilar Gold Limited as a result of the conversion of a debt instrument.
- (3) On 11 April 2011, 45,000,000 \$0.20 ordinary shares were issued (each with a 1 for 2 free attaching 20 cent option) pursuant to the Initial Public Offer of the Company's shares pm the ASX.
- (4) On 5 July 2011, 10,000 \$0.20 ordinary shares were issued upon the exercise of share options.
- (5) On 20 September 2011, 263,236 \$0.11 ordinary shares were issued to Columbus Gold (US) Corporation in accordance with the Company's joint venture agreements.

Notes to the Consolidated Financial Statements

NOTE 8 COMMITMENTS AND CONTINGENT LIABILITIES

There are no significant changes to future exploration commitments and contingencies disclosed in the most recent annual financial report.

NOTE 9 EVENTS AFTER THE BALANCE DATE

There have been material events after 31 December 2011 to the date of this report.

Director's Declaration

The Directors of the Company declare that:

1. The attached financial report and notes, is in accordance with the *Corporations Act 2001* including:
 - (i) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.
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.

Signed in accordance with a resolution of the Board of Directors.



Mark Dugmore
Director

Brisbane
Date: 1 March 2012

DECLARATION OF INDEPENDENCE BY DAMIAN WRIGHT TO THE DIRECTORS OF NAVAHO GOLD LIMITED

As lead auditor for the review of Navaho Gold Limited for the half-year ended 31 December 2011, 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 provided for Navaho Gold Limited and the entities it controlled throughout the period.



D P WRIGHT
Director

BDO Audit (QLD) Pty Ltd
Brisbane, 1 March 2012

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Navaho Gold Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Navaho Gold Limited, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity 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 disclosing entity 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 disclosing entity's financial position as at 31 December 2011 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 Navaho 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 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 Navaho Gold Limited, would be in the same terms if given to the directors as at the time of this auditor's 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 Navaho Gold 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 2011 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.

Material Uncertainty on Going Concern

Without modifying our conclusion, we draw attention to matters set out in Note 1 in the half-year financial report. The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The ability of the consolidated entity to maintain continuity of normal business activities and to pay its debts as and when they fall due, is dependent upon the successful raising in the future of necessary funding and/or the successful exploration and subsequent exploitation of its areas of interest through sale or development.

No adjustments have been made to the carrying value of assets or recorded amounts of liabilities should the consolidated entity's plans not eventuate

BDO Audit (QLD) Pty Ltd

BDO


D P WRIGHT

Director

Brisbane, 1 March 2012