



**D'AGUILAR GOLD LTD
AND CONTROLLED ENTITIES**

INTERIM FINANCIAL REPORT

**FOR THE HALF-YEAR
ENDED 31 DECEMBER 2007**

Corporate Information

DIRECTORS

Ian Levy (Chairman)
Nicholas Mather (Managing Director)
Brian Moller
Vincent Mascolo

COMPANY SECRETARY

Duncan Cornish

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

D'Aguilar Gold Ltd
Level 5
60 Edward Street
Brisbane QLD 4000
Phone: + 61 7 3303 0680
Fax: +61 7 3303 0681

SOLICITORS

Hopgood Ganim
Level 8, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

SHARE REGISTER

Link Market Services Limited
Level 12, 300 Queen Street
Brisbane QLD 4000
Telephone: 1300 554 474
Facsimile: +61 7 3221 3149

AUDITORS

BDO Kendalls
Level 18, 300 Queen Street
Brisbane QLD 4000

COUNTRY OF INCORPORATION

Australia

STOCK EXCHANGE LISTING

Australian Stock Exchange Ltd
ASX Code: DGR

INTERNET ADDRESS

www.daguilar.com.au

AUSTRALIAN BUSINESS NUMBER

ABN 67 052 354 837

Directors' Report

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2007.

DIRECTORS

The names of persons who held office during or since the end of the half-year:

Christopher Rawlings	(Non-Executive Chairman) (resigned 2 July 2007)
Nicholas Mather	(Executive Director)
Ian Levy	(Non-Executive Director) (appointed Non-Executive Chairman on 2 July 2007)
Brian Moller	(Non-Executive Director)
Vincent Mascolo	(Non-Executive Director)

REVIEW OF OPERATIONS

D'Aguilar's business is resource-project generation, exploration and discovery across a range of commodities, including copper, gold, nickel, molybdenum and uranium. D'Aguilar focuses on delivering value through discovery of ore bodies by the application of innovative exploration techniques and reassessment strategies of existing pre-development projects and to new greenfields areas. D'Aguilar is generating and developing several independently funded and managed resource companies in order to progress each of these projects.

Exploration

During the half-year the Company was strongly focused on advancing exploration projects within the parent and subsidiary companies. While experiencing the frustrations shared by all other exploration companies in the delays in securing assay results from analytical laboratories and the scarcity of suitable drilling rigs, the Company has been encouraged to see the speeding up of processing and grant of Exploration Permits, particularly in Queensland. The move to the new Group Exploration Office based in Gympie also continues to help our success in attracting additional exploration geologists and field staff to carry out the increased exploration program as more Exploration Permits move to grant.

Significant activities which occurred during the half-year included:

Central Minerals

- Excellent gold discoveries with high silver values on three of the first four targets within the Rannes Project Area, central QLD, 120km north of the Cracow Gold Mine.
- Gold mineralisation style is similar to the Carlin Trend, Nevada USA.
- D'Aguilar tenements cover the entire system (30km x 15km)

Anduramba Molybdenum

- New resource estimation and pit optimisation completed for the Anduramba Molybdenum project confirms increased resource tonnage, increased total contained metals and increased cash flows.
- There has been a 21% increase in total ore tonnes.
- Revised optimised pit shows a net present value of cash flows, not including capital costs, in the range A\$200 to A\$280 million for Anduramba.
- Capital cost estimates are awaited.

Mt Isa Metals (80.03%)

- Mr. Peter Spiers was appointed to the position of Chief Executive Officer of Mt Isa Metals and commenced with the company on 1 January 2008. He brings a wealth of management and technical experience to Mt Isa Metals as it heads towards seeking a listing in its own right in 2008.
- A reconnaissance program of sampling has commenced on the Mt Isa Metals properties in the Clermont district where several tenements have now been granted.
- The initial focus has been on EPM 16038 Capella West, which covers a poorly exposed area of strong magnetic anomalies adjacent to the historic Peak Downs copper mine. Assay results are awaited.
- Mt Isa Metals is searching for world class Iron Oxide Copper Gold deposits similar to Olympic Dam in South Australia.

Eastern Uranium (86.21%)

- Eastern Uranium has applications for exploration tenements in three project areas – Woolgar South, Biloela and Wondai, all in Queensland.
- Ten EPM's in the Wondai-Mundubbera area have now been granted, and field work on this area commenced during the quarter. Assay results on soil samples are pending.

AusNiCo (90%)

- The company is waiting for assay results from field work conducted at Kandanga, Widgee and Mundubbera before selecting drill targets in these areas.
- A 600 metre reverse circulation drilling program is planned for each of the two main zones identified at Widgee, and a 500 metre program is planned for new targets north of the known Ridley deposit at the Black Snake.
- The planned further 2,000 metre drilling program at Mt. Cobalt has been delayed due to the steep terrain and access problems associated with the wet season and difficulties in securing a track-mounted drill rig suitable for the work. The Mt Cobalt program is now planned for the second quarter.
- Depending on prevailing market conditions, work is underway to have AusNiCo ready for an IPO and public listing later this year.

Ban Ban Project Area

- Recent investigations have confirmed the Ban Ban Project Area (EPM 14881) in south east Queensland as a significant base metals prospect.
- Historically the area has been assessed by several companies, including Cyprus Mines, Esso Australia and CRA Exploration.
- It contains an Inferred Resource of 1.5 million tonnes averaging 7.4% Zinc from surface in one continuous mineralised zone over 460 metres long and up to 17 metres wide, tested to a depth of 220 metres.
- Preliminary results from Raven's Gully indicate a possible poly-metallic system.
- A further 800 metres of reverse circulation drilling is proposed for the Ban Ban Project area prospects during the coming quarter.

Corporate

During December 2007 D'Aguilar issued 11,240,765 shares at 22 cents each, raising a total of \$2,473,000 pursuant to an underwritten Share Purchase Plan. Following strong demand, the directors closed the share purchase plan ahead of the scheduled closing date. The strong and rapid take up of the Plan indicates an increasing awareness amongst D'Aguilar shareholders, of the Company's future prospects as it prepares to list three of its subsidiary companies in 2008. The funds raised will accelerate the process of seeking further opportunities to enhance shareholder value.

Also during the half-year, 300,000 \$0.127 options expiring 31/7/08 and 594,144 \$0.197 options expiring 30/09/08 were exercised into ordinary shares.

Competent Persons Statement

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Holdings Pty Ltd which provides certain consultancy services including the provision of Mr Mather as the Managing Director of D'Aguilar Gold Ltd.

Mr Mather has sufficient 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). Mr Mather has consented in writing to the inclusion in this report of the matters based on the information in the form and context in which it appears.

EVENTS SUBSEQUENT TO BALANCE DATE

There have been no events since 31 December 2007 that impact upon the financial report as at 31 December 2007.

AUDITORS INDEPENDENCE DECLARATION

The auditor's independence declaration, under section 307C of the Corporations Act 2001, is set out on page 6 for the half-year ended 31 December 2007.

This report is signed in accordance with a resolution of the Board of Directors.

Nicholas Mather
Director

Brisbane
Date: 22 February 2008



BDO Kendalls

BDO Kendalls (QLD)
Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Phone 61 7 3237 5999
Fax 61 7 3221 9227
info.brisbane@bdo.com.au
www.bdo.com.au

ABN 70 202 702 402

21 February 2008

Mr Ian Levy
The Chairman
Audit Committee
D'Aguilar Gold Limited
Level 5, 60 Edward Street
Brisbane QLD 4000

Dear Ian

AUDITOR INDEPENDENCE DECLARATION TO D'AGUILAR GOLD LTD

As the lead auditor for the review of D'Aguilar Gold Ltd for the interim, financial period ended 31 December 2007, I declare that, to the best of my knowledge and belief, there have been:

- a) No contravention of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) No contravention of any applicable code of professional conduct in relation to the review.

This declaration is in respect of D'Aguilar Gold Ltd.

Yours faithfully
BDO Kendalls (QLD)

Damian Wright
Partner

Condensed Income Statement for the half-year ended 31 December 2007

	Consolidated Entity	
	2007	2006
	\$	\$
Revenue	457,987	40,169
Revaluation of investments	-	(122,327)
Borrowing cost expenses	(97,500)	(30,000)
Employee benefits expenses	(925,903)	(196,834)
Depreciation expenses	(56,683)	(27,281)
Legal expenses	7,569	(41,199)
Administration and consulting expenses	(486,465)	(252,656)
Other expenses	(331,358)	(15,157)
Profit/(loss) before income tax	(1,432,353)	(645,285)
Income tax expense	-	-
Profit/(loss) for the period	(1,432,353)	(645,285)
Profit/(loss) attributable to minority equity interest	73,885	-
Profit/(loss) attributable to members of the parent entity	<u>(1,358,468)</u>	<u>(645,285)</u>
		Cents
Basic Earnings Per Share	(1.05)	(0.61)
Diluted Earnings Per Share	(1.05)	(0.61)

The Condensed Income Statement should be read in conjunction with the notes to the financial statements.

Condensed Balance Sheet as at 31 December 2007

	Consolidated Entity	
	31 December 2007 \$	30 June 2007 \$
CURRENT ASSETS		
Cash and cash equivalents	5,641,092	5,634,248
Trade and other receivables	181,926	743,236
Financial assets	517,592	183,970
Other assets	56,097	26,249
Total Current Assets	6,396,707	6,587,703
NON-CURRENT ASSETS		
Financial assets	591,197	564,950
Trade and other receivables	16,566	16,566
Property, plant and equipment	649,877	184,609
Exploration expenditure	7,031,802	5,317,946
Total Non-Current Assets	8,289,442	6,084,071
TOTAL ASSETS	14,686,149	12,671,774
CURRENT LIABILITIES		
Trade and other payables	544,826	433,432
Interest bearing liabilities	48,317	41,980
Provisions	19,517	12,757
Total Current Liabilities	612,660	488,169
NON-CURRENT LIABILITIES		
Interest bearing liabilities	1,571,533	1,501,409
Provisions	600,000	600,000
Total Non-Current Liabilities	2,171,533	2,101,409
TOTAL LIABILITIES	2,784,193	2,589,578
NET ASSETS	11,901,956	10,082,196
EQUITY		
Issued capital	18,983,304	16,351,081
Reserves	1,397,576	792,033
Accumulated losses	(9,370,476)	(8,012,008)
Parent entity interest	11,010,404	9,131,106
Minority equity interest	891,552	951,090
TOTAL EQUITY	11,901,956	10,082,196

The Condensed Balance Sheet should be read in conjunction with the notes to the financial statements.

Condensed Statement of Cash Flows for the half-year ended 31 December 2007

	Consolidated Entity	
	2007	2006
	\$	\$
	Inflows/ (Outflows)	Inflows/ (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	40,994	1,113
Payments to suppliers and employees (inclusive of goods and services tax)	(984,362)	(638,557)
Interest received	115,810	27,048
Interest and other costs of finance paid	(22,500)	(32,390)
Net cash outflow from operating activities	(850,058)	(642,786)
CASH FLOWS FROM INVESTING ACTIVITIES		
Security deposit (payments) / refunds	(26,247)	(22,500)
Proceeds from sale of property, plant and equipment	2,291	5,495
Payments for property, plant and equipment	(264,121)	(12,999)
Payments for investments	(234,638)	-
Exploration and evaluation expenditure	(2,015,002)	(1,240,253)
Net cash outflow from investing activities	(2,537,717)	(1,270,257)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of securities	2,628,148	2,325,000
Proceeds from issue of securities in subsidiaries to outside equity interests	761,434	-
Payments of security issue costs	(48,924)	(44,630)
Proceeds from borrowings	90,362	
Repayment of borrowings	(36,401)	(11,140)
Net cash inflow/(outflow) from financing activities	3,394,619	2,269,230
Net increase/(decrease) in cash held	6,844	356,187
Cash at 1 July	5,634,248	555,149
Cash at 31 December	5,641,092	911,336

The Condensed Cash Flow Statement should be read in conjunction with the notes to the financial statements.

Condensed Statement of Changes in Equity for the half-year ended 31 December 2007

	Issued Capital	Accumulated Losses	Reserves	Outside Equity Interest	Total
	\$	\$	\$	\$	\$
At 1 July 2006	9,158,658	(3,524,778)	715,343	-	6,349,223
Issue of shares and options	2,348,750	-	-	-	2,348,750
Issue of shares to minority shareholders	824,489	-	-	185,511	1,010,000
Share issue costs	(68,379)	-	-	-	(68,379)
Issue of options	-	-	61,378	-	61,378
Profit/(loss) attributable to members of parent entity	-	(645,285)	-	-	(645,285)
At 31 December 2006	12,263,518	(4,170,063)	776,721	185,511	9,055,687
At 1 July 2007	16,351,081	(8,012,008)	792,033	951,090	10,082,196
Issue of shares	2,473,000	-	-	-	2,473,000
Issue of shares to minority shareholders	115,340	-	41,747	14,347	171,434
Share issue costs	(111,264)	-	-	-	(111,264)
Issue of options	-	-	563,796	-	563,796
Options exercised	155,147	-	-	-	155,147
Profit/(loss) attributable to members of parent entity	-	(1,358,468)	-	-	(1,358,468)
Profit/(loss) attributable to minority shareholders	-	-	-	(73,885)	(73,885)
At 31 December 2007	18,983,304	(9,370,476)	1,397,576	891,552	11,901,956

The Condensed Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements for the half-year ended 31 December 2007

1. Basis of Preparation

The half-year condensed financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Equivalent to International Reporting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative announcements of the Australian Accounting Standards Board.

It is recommended that the half-year report be read in conjunction with the annual financial report for the year ended 30 June 2007 and any public announcements made by D'Aguilar Gold Ltd and its controlled entities during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the Consolidated Entity and are consistent with those applied in the 30 June 2007 annual report.

The half-year report does not include all notes of the type normally included in an 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 ability of the Consolidated Entity to continue to adopt the going concern assumption will depend upon a number of matters including the successful raising in the future of necessary funding and successful exploitation of exploration expenditure.

Reporting basis and conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Comparatives

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

Subsidiary Equity Issue

Where a subsidiary makes a new issue of capital subscribed by outside equity interests the parent company may make a gain or loss due to dilution of outside equity interests. These gains or losses are recognised in equity attributed to the parent company.

	Consolidated Entity	
	31 December 2007	31 December 2006
	\$	\$
2. Loss After Income Tax Expense		

The following revenue and expense items are relevant in explaining the financial performance of the interim period:

Write off of capitalised exploration expenditure on areas of interest abandoned during the period	273,481	-
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Notes to the Financial Statements for the half-year ended 31 December 2007

3. Issued Capital

(a) Ordinary shares

	Consolidated Entity		Consolidated Entity	
	2007	2006	2007	2006
	No.	No.	\$	\$
At 1 July	133,509,644	89,830,815	16,351,081	9,158,658
Shares issued during the year				
- 18 August 2006 (1)	-	16,475,000		823,750
- 14 November 2006 (2)	-	6,100,000		610,000
- 24 November 2006 (3)	-	9,150,000		915,000
- 12 July 2007 (4)	300,000	-	38,100	
- 23 July 2007 (5)	594,144	-	117,047	
- 7 December 2007 (6)	11,240,765	-	2,473,000	
Share issue costs	-	-	(111,264)	(68,379)
	145,644,553	121,555,815	18,867,964	11,439,029
Outside equity interest	-	-	115,340	824,489
Share issue costs	-	-	-	-
At 31 December	145,644,553	121,555,815	18,983,304	12,263,518

(1) On 18 August 2006, 16,475,000 ordinary shares were issued. 16,000,000 shares were issued pursuant to a Share Purchase Plan at an issue price of 5.0 cents each, and a further 475,000 shares were issued to underwriters of the Share Purchase Plan, who elected to receive their underwriting fee in shares.

(2) On 14 November 2006, 6,100,000 ordinary shares were issued at an issue price of 10.0 cents each.

(3) On 24 November 2006, 9,150,000 ordinary shares were issued at an issue price of 10.0 cents each.

(4) On 12 July 2007, 300,000 (unlisted) \$0.127 (31/07/08) options were exercised into ordinary shares.

(5) On 23 July 2007, 594,144 (unlisted) \$0.197 (30/09/08) options were exercised into ordinary shares.

(6) On 7 December 2007, 11,240,765 ordinary shares were issued pursuant to a Share Purchase Plan.

(b) Options

During the half-year ended 31 December 2007, the Company issued the following options to directors and officers:

- 4,000,000 (unlisted) options to take up one ordinary share in D'Aguilar Gold Ltd at an issue price of 27.5 cents. The options expire 30 June 2011.

During the half-year ended 31 December 2007, the following options were exercised:

- 300,000 (unlisted) \$0.127 (31/07/08) options
- 594,144 (unlisted) \$0.197 (30/09/08) options

4. Segment Information

The Consolidated Entity operates predominantly in one business and geographical segment being in the mining industry in Australia. No revenue from this activity has been earned to date as the Consolidated Entity is still in the exploration and evaluation stage.

Notes to the Financial Statements for the half-year ended 31 December 2007

5. Contingent Liabilities and Contingent Assets

There have been no changes in contingent assets or contingent liabilities since the last annual reporting date, 30 June 2007.

6. Events Subsequent to Balance Date

There have been no events since 31 December 2007 that impact upon the financial report as at 31 December 2007.

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 13:
 - (a) comply with Australian Equivalents to International Financial Reporting 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 2007 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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Nicholas Mather
Director

Brisbane
Date: 22 February 2008



BDO Kendalls

BDO Kendalls (QLD)
Level 18, 300 Queen St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Phone 61 7 3237 5999
Fax 61 7 3221 9227
info.brisbane@bdo.com.au
www.bdo.com.au

ABN 70 202 702 402

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF D'AGUILAR GOLD LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of D'Aguilar Gold Limited, which comprises the condensed balance sheet as at 31 December 2007, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the company in order for the disclosing entity to lodge the half-year interim financial report with the Australian Securities and Investments Commission and Australian Stock Exchange.

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 control 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 an Interim Financial Report Performed by the Independent Auditor of the company, 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 company'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*. As the auditor of D'Aguilar 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

We are independent of the company, and have met the independence requirements of the Australian professional ethical pronouncements and the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of D'Aguilar Gold Limited on 21 February 2008, would be in the same terms if provided to the directors as at the date of this review report.

Statement

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 D'Aguilar Gold Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2007 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 Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As set out in Note 1, the financial statements have been prepared on a going concern basis. The ability of the company to continue to adopt the going concern basis of accounting, to maintain continuity of normal business activities, and to pay its debts as and when they fall due is dependent upon the continued ability of the company to raise capital, and or successfully explore and subsequently exploit the company's exploration tenements.

No adjustments have been made to the carrying value of assets or recorded amount of liabilities should the Company's plans not eventuate.

BDO Kendall's (QLD)

D P Wright
Partner

Brisbane
22 February 2008