
**SWAN GOLD MINING LIMITED
(ADMINISTRATORS APPOINTED)
(FORMERLY “MONARCH GOLD MINING COMPANY
LIMITED”)**

ABN 69 100 038 266

HALF YEAR FINANCIAL REPORT

31 DECEMBER 2009

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Martin Depisch	Non-Executive Chairman
Damian Delaney	Non Executive Director
Peter Farris	Non Executive Director
Michael Fotios	Non Executive Director
Gerhard Kornfeld	Non Executive Director
Thomas Styblo	Non Executive Director

COMPANY SECRETARY

Ildiko Wowsny

REGISTERED OFFICE

First Floor
143 Hay Street
SUBIACO
WA 6008

Telephone: (61-8) 6389 7500
Facsimile: (61-8) 6389 7510
E-mail: admin@swangoldmining.com.au
Web-site: www.swangoldmining.com.au

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 2, 45 St. George's Terrace
Perth WA 6000

Telephone: (61-8) 9323 2000
Facsimile: (61-8) 9323 2033
E-mail: perth.services@computershare.com.au
Web-site: www.computershare.com.au

AUDITORS

Ernst & Young

SOLICITORS

Steinepreis Paganin

BANKERS

National Australia Bank Limited

STOCK EXCHANGE LISTING

Shares in Swan Gold Mining Limited are listed on the Australian Stock Exchange under the trading code SWA.

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**SWAN GOLD MINING LIMITED
(FORMERLY “MONARCH GOLD MINING COMPANY LIMITED”)
AND CONTROLLED ENTITIES**

DIRECTORS' REPORT

The directors of Swan Gold Mining Limited (Formerly “Monarch Gold Mining Company Limited”) (“Swan Gold”, “the Company” or “parent”) present their report on the results and state of affairs of the consolidated entity (consisting of Swan Gold and the entities it controlled) for the half year ended 31 December 2009.

DIRECTORS

The following persons were directors of Swan Gold during the whole of the half year and up to the date of this report, unless otherwise stated:

Martin Depisch	(appointed 25 July 2012)
Damian Paul Delaney	(appointed 25 July 2012)
Gerhard Kornfeld	(appointed 25 July 2012)
Michael Fotios	(appointed 14 September 2012)
Peter Farris	(appointed 14 September 2012)
Thomas Styblo	(appointed 14 September 2012)
Keith John Vuleta	(resigned 25 July 2012)
Allan Richard Brown	(appointed 26 February 2010, resigned 25 July 2012)
Ian Leslie Price	(appointed 26 February 2010, resigned 25 July 2012)
Bruce Dennis Maluish	(appointed 26 February 2010, resigned 17 June 2010)
John Leslie Baxter	(appointed 26 February 2010, resigned 17 June 2010)
Michael Laurence Kiernan	(resigned 28 June 2010)
Marty Adams	(appointed 23 July 2010, resigned 11 September 2010)

Unless otherwise indicated, all directors held their position as a director throughout the entire financial year and up to the date of this report.

PRINCIPAL ACTIVITIES

The principal activity of Swan Gold and the consolidated entity (which includes the controlled entities of Swan Gold) during the half year ended 31 December 2009 was mineral exploration and evaluation.

RESULTS OF OPERATIONS

The net loss of the consolidated entity for the half year ended 31 December 2009 after impairment was \$3,555,000 (31 December 2008: loss of \$9,327,000).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under Section 307C of the Corporations Act 2001 is included immediately following the Directors' Report and forms part of the Directors' Report.

EVENTS SUBSEQUENT TO THE END OF THE HALF YEAR

On 26 February 2010, the Recapitalisation Deed was formally completed, thereby effecting the retirement of Mr Bryan Hughes as Deed Administrator and transferring control of the Group to the new Board of Directors

Effective on this date Monarch Group Mining Company Ltd was re-named “Swan Gold Mining Limited” and Davyhurst Gold Pty Ltd was re-named “Carnegie Gold Pty Ltd.”

At this time, the Receivers and Managers representing Territory Resources Limited (“Territory”) retired and Territory's charge was accordingly released.

Also at this time, charges were granted in favour of the Trusts governing the Group assets in order to secure the instalments due, pursuant to the Recapitalisation Deed.

On 18 August 2011, Swan Gold (“Swan” or “the Vendor”) executed a conditional agreement with global commodity company DCM DECOMetal GmbH (“DCM” or “the Purchaser”) to acquire Swan's subsidiaries that own the Carnegie and Mt Ida gold projects (“the DCM transaction”).

The main conditions of the agreement which is subject to shareholder and regulatory approval, as necessary, will see:

- DCM acquire the debt and associated rights of the Mt Ida Trust for \$1,000,000;
- DCM pay a total amount of \$10,000,000 to the Group Trust with \$1,000,000 payable upon signing of the agreement and \$9,000,000 payable within 6 months;

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- Under separate arrangement DCM acquire the debt and associated rights of the Territory Trust of \$6,700,000;
- All debts due by Swan to the Mt Ida Trust, Group Trust, Territory Trust and Stirling Resources Ltd be extinguished by DCM at settlement;
- Amounts to be paid to Swan of \$5,000,000 at settlement;
- All shareholdings held by Stirling, Territory Resources Limited and DCM in Swan be cancelled at settlement;
- DCM fund the ongoing operations of Swan until the transaction is completed; and
- Settlement due on or before 31 March 2012. Whilst this date has passed, the Share Sale Agreement remains in force and DCM have confirmed in writing that it will continue basic operational funding of Swan in accordance with the agreement.

The agreement does not become binding until the following conditions precedent are met:

- (a) the Financial Investment Review Board (FIRB) Condition has been satisfied;
- (b) the Vendor procuring all necessary third party consents to the Transaction (if any) and providing the Purchaser with a copy of such consents;
- (c) the Vendor obtaining all necessary shareholder approvals required by the Corporations Act and the Listing Rules in relation to the Transaction;
- (d) the Vendor obtaining the approval (by way of a deed or otherwise) of MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (e) completion of the assignment of the Mt Ida Debt and Mt Ida Securities from MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (f) an agreement is executed between the Purchaser and Territory Resources Limited, in its capacity as beneficiary under the Territory Trust pursuant to which the Territory Resources Limited will assign to the Purchaser and the Purchaser will take an assignment of all Territory Resources Limited's rights and interests as beneficiary under the Territory Trust;
- (g) an agreement is executed between Stirling and the Vendor pursuant to which Stirling agrees to cancel the Stirling Debt, for no consideration, upon Settlement occurring; and
- (h) each of Territory, Stirling and the Purchaser (and each of their Related Bodies Corporate) agreeing to cancel all of their shares held in Swan, subject to Settlement occurring on 3 May 2012, the Company announced to the ASX, that following extensive negotiations, a binding Terms Sheet had been entered into by Swan, DCM DECOMetal GmbH (DCM) and Investmet Limited and/or its nominees (“Investmet”), with the execution of a formal agreement, being the Restructure Deed, on 16 May 2012.

On 3 May 2012, the Company announced to the ASX, that following extensive negotiations, a binding Terms Sheet, and subsequently a Restructure Deed, had been entered into by the Company, DCM DECOMetal GmbH (DCM) and Investmet Limited and/or its nominees (“Investmet”), with the execution of a formal agreement, being the Restructure Deed, on 16 May 2012 (“the Investmet transaction”).

Investmet has advised it intends to recapitalize Swan and provide sufficient funding to complete a review into recommencement of operations at the Carnegie and Mt Ida gold projects, including amongst other items thorough geological and economic reviews of resources, project data, exploration activities as required, and mine planning.

Investmet will also work with the current board of Swan towards finalizing the application for re-listing of the shares of Swan (Swan shares) on the Australian Stock Exchange (ASX) (subject to ASX approval) as soon as possible after completion.

The main terms and conditions of the Restructure Deed are as follows:

- Swan will conduct a share placement to sophisticated investors to raise working capital of a minimum of \$7,500,000 by the issue of new ordinary shares at \$0.02 effective on completion of the transaction (Completion). The issue will be fully underwritten by Investmet on terms reasonably satisfactory to Investmet and the Company;
- DCM will transfer 39,849,657 Swan shares to Investment in consideration for a cash payment by Investmet to the Trustee of the Territory Trust of \$6,700,000 in satisfaction of all claims by the Territory Trust;
- The Group Trustee will transfer 134,483,578 Swan shares to Investmet as consideration for the payment by Investmet to the Group Trust of \$10,000,000; the payment will also extinguish all claims by the Group Trust under the recapitalization deed;

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- Investmet will pay \$144,240 to the Trustee of the Group Trust on behalf of Swan to repay the loan made by the Trustee to Swan. Swan agrees to repay Investmet on interest free terms \$144,240 within two business days of a written demand by Investmet.
- Investmet will advance \$1,230,000 to DCM in consideration of DCM discharging the existing charge over the Mt Ida assets. A fresh security is to be granted by Swan as required to Investmet;
- DCM to fund ongoing operations of Swan until Completion; and
- The Conditions of the Restructure Deed are to be satisfied or waived on or before 31 October 2012, with the exception of shareholder and regulatory approvals, and Loan Syndicate Arrangements which are to be finalised by 31 December 2012. Beyond these dates an alternative restructure or extension period are to be negotiated in good faith, but should no agreement be made within 5 Business Days then either party may terminate the Deed without incurring any liability.

The Conditions for Completion to occur includes amongst other items:

- Agreement on documentation relating to Investmet’s funding arrangements;
- The share sale agreement between Swan and DCM dated 18 August 2011 (as varied) being terminated on Completion with no further liability for either party;
- The Recapitalisation Deed between Swan, Stirling Resources Ltd and others dated 21 June 2009 (as amended) being terminated on Completion with no further liability for Swan;
- Any plaintiff proceedings relating to the tenements of Swan and its subsidiaries are to be discontinued or withdrawn on terms satisfactory to Investmet by 31 October 2012. Investmet may immediately terminate if it considers that the plaintiff condition will, or may, not be satisfied by 31 October 2012; and
- All necessary shareholder, third party or regulatory approvals;

This transaction is also conditional on the completion of inter-related transactions between Investmet, DCM and each of Stirling Resources Limited and Redbank Copper Limited, the terms of which have been finalised but not released.

Investmet and DCM intend to establish syndicated loan arrangements with Swan, to include the new security charges to regulate secured debt over Swan incorporating a two year moratorium on principal repayments and at the end of the two year moratorium Swan may elect to repay the debt or require conversion at a price to be agreed between the parties.

Subsequent to period end a number of the Group’s tenements were subject to plaintiff proceedings due to the Group not meeting its minimum expenditure requirements on the tenements. The majority of the plaintiffs have now been settled by the Company. The ability of the Group to maintain tenure to its tenements is dependent upon it continuing to meet the minimum expenditures on the tenements or obtaining exemptions for tenements in which the minimum expenditures have not been met.

ROUNDING OF AMOUNTS

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

This report is made in accordance with a resolution of directors.



D Delaney
Director


Perth, Western Australia
19 October 2012

Auditor's Independence Declaration to the Directors of Swan Gold Mining Limited

In relation to our review of the financial report of Swan Gold Mining Limited for the half-year ended 31 December 2009, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



Ernst & Young



G A Buckingham
Partner
Perth
19 October 2012

**SWAN GOLD MINING LIMITED
(FORMERLY “MONARCH GOLD MINING COMPANY LIMITED”)
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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	CONSOLIDATED	
	31 Dec 2009	31 Dec 2008
	\$'000	\$'000
Revenue	905	2,132
Other income	10	307
Employee benefits expenses	(479)	(3,426)
Raw materials and consumables used	-	(4,888)
Tenement costs expensed	(1,043)	-
Corporate and administration expenses	(529)	(902)
Finance costs	(49)	(130)
Administrator expenses	(650)	(1,426)
Other expenses	(167)	(346)
Impairment of receivables	(821)	(605)
Impairment of available for sale financial assets	-	(43)
Net loss on release of net liabilities	<u>(732)</u>	<u>-</u>
Loss before income tax expense	(3,555)	(9,327)
Income tax expense	<u>-</u>	<u>-</u>
Loss for the period	(3,555)	(9,327)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive loss for the period	<u><u>(3,555)</u></u>	<u><u>(9,327)</u></u>
Total comprehensive loss attributable to:		
Equity holders of Swan Gold	(3,555)	(9,327)
Non-controlling interest	<u>-</u>	<u>-</u>
	<u><u>(3,555)</u></u>	<u><u>(9,327)</u></u>
Loss per share attributable to the ordinary equity holders of the company:	Cents	Cents
Basic earnings/(loss) per share	(0.67)	(4.69)
Diluted earnings/(loss) per share	(0.67)	(4.69)

The accompanying notes form part of these financial statements.

**SWAN GOLD MINING LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009**

	Notes	CONSOLIDATED	
		31 Dec 2009 \$'000	30 Jun 2009 \$'000
CURRENT ASSETS			
Cash and cash equivalents	3	7,036	1,445
Trade and other receivables		10,875	5,190
Receivable – sale of subsidiary		-	3,250
TOTAL CURRENT ASSETS		<u>17,911</u>	<u>9,885</u>
NON-CURRENT ASSETS			
Receivables		5,424	5,390
Available for sale financial assets		-	26
Property, plant and equipment		8,750	8,750
Deferred exploration expenditure		21,499	21,499
TOTAL NON-CURRENT ASSETS		<u>35,673</u>	<u>35,665</u>
TOTAL ASSETS		<u>53,584</u>	<u>45,550</u>
CURRENT LIABILITIES			
Trade and other payables		1,242	25,264
Borrowings	4	300	30,305
Provisions		84	35
Obligations to the Group Trust		10,379	-
Obligations to the Mt Ida Trust		2,215	-
Obligations to the Territory Trust		22,572	-
TOTAL CURRENT LIABILITIES		<u>36,792</u>	<u>55,604</u>
NON-CURRENT LIABILITIES			
Obligations to the Group Trust	5	3,209	-
Borrowings		633	633
Provisions		4,148	4,148
TOTAL NON-CURRENT LIABILITIES		<u>7,990</u>	<u>4,781</u>
TOTAL LIABILITIES		<u>44,782</u>	<u>60,385</u>
NET ASSETS / (LIABILITIES)		<u>8,802</u>	<u>(14,835)</u>
EQUITY			
Contributed equity	6	164,666	137,474
Reserves		4,823	4,823
Accumulated losses		(160,729)	(157,174)
Parent entity interest		8,760	(14,877)
Non-controlling interest		42	42
TOTAL EQUITY / (DEFICIT)		<u>8,802</u>	<u>(14,835)</u>

The accompanying notes form part of these financial statements.

SWAN GOLD MINING LIMITED
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

Consolidated	Attributable to members of Swan Gold				Non- controlling interest	Total equity
	Contributed equity	Reserves	Accumulated losses	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2008	137,474	4,823	(145,363)	(3,066)	42	(3,024)
Loss for the period	-	-	(9,327)	(9,327)	-	(9,327)
Total comprehensive losses for the half year	-	-	(9,327)	(9,327)	-	(9,327)
Contributions of equity	-	-	-	-	-	-
At 31 December 2008	137,474	4,823	(154,690)	(12,393)	42	(12,351)
At 1 July 2009	137,474	4,823	(157,174)	(14,877)	42	(14,835)
Loss for the period	-	-	(3,555)	(3,555)	-	(3,555)
Total comprehensive losses for the half year	-	-	(3,555)	(3,555)	-	(3,555)
Contributions of equity	27,192	-	-	27,192	-	27,192
At 31 December 2009	164,666	4,823	(160,729)	8,760	42	8,802

The accompanying notes form part of these financial statements.

SWAN GOLD MINING LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2009

	Notes	CONSOLIDATED	
		31 Dec 2009 \$'000	31 Dec 2008 \$'000
Cash flows from operating activities			
Receipts from customers		46	1,193
Payments to suppliers and employees		(4,175)	(4,767)
Interest received		5	79
Interest paid		(49)	(4)
		<u>(4,173)</u>	<u>(3,499)</u>
Net cash outflow from operating activities			
Cash flows from investing activities			
Proceeds from sale of fixed assets		-	89
Proceeds from sale of tenements		200	-
Proceeds from sale of investments		28	-
Proceeds from sale of subsidiary		5,000	-
Refund of deposit		-	2,500
		<u>5,228</u>	<u>2,589</u>
Net cash flow from investing activities			
Cash flows from financing activities			
Proceeds from issues of shares		7,977	-
Repayment of finance lease principal		(480)	(395)
Repayment of loan		(2,961)	-
Loans advanced from other parties		-	1,750
		<u>4,536</u>	<u>1,355</u>
Net cash inflow from financing activities			
Net increase in cash held			
		5,591	445
Cash at the beginning of the financial period		<u>1,445</u>	<u>-</u>
Cash at the end of the financial period	3	<u><u>7,036</u></u>	<u><u>445</u></u>

The accompanying notes form part of these financial statements.

**SWAN GOLD MINING LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

1. BASIS OF PREPARATION OF HALF YEAR REPORT

This general purpose condensed financial report for the interim half year reporting period ended 31 December 2009 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an 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 as an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2009 and any public announcements made by Swan Gold or Monarch Gold Mining Company Limited during the interim reporting period in accordance with continuous disclosure requirements of the *ASX listing rules*.

Except as noted below, the accounting policies adopted are consistent with those in the most recent annual financial report. The group has adopted all the new revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current reporting period.

New and revised Standards Interpretations effective for the current reporting period that are relevant to the group include:

- AASB 8 Operating Segments
- AASB 101 Presentation of Financial Statements
- AASB 127 Consolidated and Separate Financial Statements

The adoption of these new and revised Standard and Interpretations has resulted in changes to the Group’s accounting policies in the following areas:

Changes in ownership interests of subsidiaries

AASB127 Consolidated and Separate Financial Statements (2008) has been adopted in the current period and applies prospectively. The revised Standard has resulted in changes in the Group’s accounting policies regarding increases and decreases in ownership interest in its subsidiaries. All increases or decreases in interests in subsidiaries are no longer accounted as goodwill or through profit and loss and are now recognised in equity.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised Standard requires that the Group derecognizes all assets, liabilities and non-controlling interests at their carrying amount. Any remaining interest in the former subsidiary is recognised at its fair value at the date that control is lost. A gain or loss of control is recognized in profit or loss as the difference between the proceeds if any, and these adjustments.

The revised Standard introduces the requirement to produce a statement of comprehensive income that presents all items of recognised income and expense. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation requirements for restatements or reclassifications of items in the financial statements and changes in the presentation requirements for dividends.

AASB 101 (revised): Presentation of Financial Statements

The Company has applied the revised standard from 1 July 2009. The revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the Statement of Changes in Equity. Under this standard unrealised gains and losses on equity investments are recorded through “Other Comprehensive Income”.

The standard does not result in a change to the net asset value of the Company.

**SWAN GOLD MINING LIMITED
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1. BASIS OF PREPARATION OF HALF YEAR REPORT (continued)

Going Concern

As at 31 December 2009, the Group’s current liabilities exceeded its current assets by \$18.9 million. The consolidated entity recorded a loss of \$3,555,000 (2008: \$9,327,000) for the half year ended 31 December 2009. In the financial years following, up to 30 June 2010, the consolidated entity and Company was still under administration. Commitments were met from the administrators dealing in the sale of assets, available funds and satisfaction of debtors and inventories.

During the course of the financial year ended 30 June 2010, the consolidated entity and Company remained in administration up to 26 February 2010 at which time the company was recapitalised under the Recapitalisation Deed with Stirling Resources Ltd. From that date, the administrator retired and the new board of directors took control of the Company. Simultaneously on the same date the Company raised \$15,000,000 by the issue of 300,000,000 ordinary shares to Stirling Gold Pty Ltd as a part of the Recapitalisation Deed.

During the course of the financial year ended 30 June 2011, the consolidated entity continued to meet its commitments with funds provided mainly by Stirling Resources Ltd.

On 18 August 2011, Swan Gold (“Swan” or “the Vendor”) executed a conditional agreement with global commodity company DCM DECOmetal GmbH (“DCM” or “the Purchaser”) to acquire Swan’s subsidiaries that own the Carnegie and Mt Ida gold projects (“the DCM transaction”).

The main conditions of the agreement, which is subject to shareholder and regulatory approval, as necessary, will see:

- DCM acquire the debt and associated rights of the Mt Ida Trust for \$1,000,000;
- DCM pay a total amount of \$10,000,000 to the Group Trust with \$1,000,000 payable upon signing of the agreement and \$9,000,000 payable within 6 months;
- Under separate arrangement DCM acquire the debt and associated rights of the Territory Trust of \$6,700,000;
- All debts due by Swan to the Mt Ida Trust, Group Trust, Territory Trust and Stirling Resources Ltd be extinguished by DCM at settlement;
- Amounts to be paid to Swan of \$5,000,000 at settlement;
- All shareholdings held by Stirling, Territory Resources Limited and DCM in Swan be cancelled at settlement;
- DCM fund the ongoing operations of Swan until the transaction is completed; and
- Settlement due on or before 31 March 2012. Whilst this date has passed, the Share Sale Agreement remains in force and DCM have confirmed in writing that it will continue basic operational funding of Swan in accordance with the agreement.

The agreement does not become binding until the following conditions precedent are met:

- (a) the Financial Investment Review Board (FIRB) Condition has been satisfied;
- (b) the Vendor procuring all necessary third party consents to the Transaction (if any) and providing the Purchaser with a copy of such consents;
- (c) the Vendor obtaining all necessary shareholder approvals required by the Corporations Act and the Listing Rules in relation to the Transaction;
- (d) the Vendor obtaining the approval (by way of a deed or otherwise) of MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (e) completion of the assignment of the Mt Ida Debt and Mt Ida Securities from MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (f) an agreement is executed between the Purchaser and Territory Resources Limited, in its capacity as beneficiary under the Territory Trust pursuant to which the Territory Resources Limited will assign to the Purchaser and the Purchaser will take an assignment of all Territory Resources Limited’s rights and interests as beneficiary under the Territory Trust;
- (g) an agreement is executed between Stirling and the Vendor pursuant to which Stirling agrees to cancel the Stirling Debt, for no consideration, upon Settlement occurring; and
- (h) each of Territory, Stirling and the Purchaser (and each of their Related Bodies Corporate) agreeing to cancel all of their Swan Shares, subject to Settlement occurring.

On 3 May 2012, the Company announced to the ASX, that following extensive negotiations, a binding Terms Sheet, and subsequently a Restructure Deed, had been entered into by the Company, DCM DECOmetal GmbH (DCM) and Investmet Limited and/or its nominees (“Investmet”), with the execution of a formal agreement, being the Restructure Deed, on 16 May 2012 (“the Investmet transaction”).

**SWAN GOLD MINING LIMITED
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1. BASIS OF PREPARATION OF HALF YEAR REPORT (continued)

Investmet has advised it intends to recapitalize Swan and provide sufficient funding to complete a review into recommencement of operations at the Carnegie and Mt Ida gold projects, including amongst other items thorough geological and economic reviews of resources, project data, exploration activities as required, and mine planning.

Investmet will also work with the current board of Swan towards finalizing the application for re-listing of the shares of SWA (SWA shares) on the ASX (subject to ASX approval) as soon as possible after completion.

The main terms and conditions of the Restructure Deed are as follows:

- SWA will conduct a share placement to sophisticated investors to raise working capital of a minimum of \$7,500,000 by the issue of new ordinary shares at \$0.02 effective on completion of the transaction (Completion). The issue will be fully underwritten by Investmet on terms reasonably satisfactory to Investmet and the Company;
- DCM will transfer 39,849,657 SWA shares to Investment in consideration for a cash payment by Investmet to the Trustee of the Territory Trust of \$6,700,000 in satisfaction of all claims by the Territory Trust;
- The Group Trustee will transfer 134,483,578 SWA shares to Investmet as consideration for the payment by Investmet to the Group Trust of \$10,000,000; the payment will also clear all claims by the Group Trust under the recapitalization deed;
- Investmet will pay \$144,420 to the Trustee of the Group Trust on behalf of SWA to repay the loan made by the Trustee to SWA. SWA agrees to repay Investmet on interest free terms \$144,420 within two business days of a written demand by Investmet;
- Investmet will advance \$1,230,000 to DCM in consideration of DCM discharging the existing charge over the Mt Ida assets. A fresh security to be granted by SWA as required to Investmet;
- DCM to fund ongoing operations of SWA until Completion; and
- The Conditions of the Restructure Deed are to be satisfied or waived on or before 31 October 2012, with the exception of shareholder and regulatory approvals, and Loan Syndicate Arrangements, which are to be finalised by 31 December 2012. Beyond these dates an alternative restructure or extension period are to be negotiated in good faith, but should no agreement be made within 5 Business Days then either party may terminate the Deed without incurring any liability.

The Conditions for Completion to occur includes amongst other items:

- Agreement on documentation relating to Investmet’s funding arrangements,
- The share sale agreement between SWA and DCM dated 18 August 2011 (as varied) being terminated on Completion with no further liability for either party;
- The Recapitalisation Deed between SWA, Stirling Resources Ltd and others dated 21 June 2009 (as amended) being terminated on Completion with no further liability for SWA;
- Any plaint proceedings relating to the tenements of SWA and its subsidiaries are to be discontinued or withdrawn on terms satisfactory to Investmet by 31 October 2012. Investmet may immediately terminate if it considers that the plaint condition will, or may, not be satisfied by 31 October 2012; and
- All necessary shareholder, third party or regulatory approvals.

This transaction is also conditional on the completion of inter-related transactions between Investmet, DCM and each of Stirling Resources Limited and Redbank Copper Limited, the terms of which are still being negotiated, but are expected to be finalised shortly.

Investmet and DCM intend to establish syndicated loan arrangements with SWA, to include the new security charges to regulate secured debt over SWA incorporating a two year moratorium on principal repayments and at the end of the two year moratorium SWA may elect to repay the debt or require conversion at a price to be agreed between the parties.

The ability of the Group to continue to operate as a going concern and meet its debts as and when they fall due is primarily dependent upon the Directors meeting the terms and conditions under either the Investmet transaction or alternatively the DCM transaction. Failure to do so may result in the Group being unable to meet its debts as and when they fall due and realise its assets and liabilities in the ordinary course of business. The financial report has been prepared on the basis that the Company and the consolidated entity will continue to meet their commitments and can therefore continue normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

**SWAN GOLD MINING LIMITED
(FORMERLY “MONARCH GOLD MINING COMPANY LIMITED”)
AND CONTROLLED ENTITIES**

1. BASIS OF PREPARATION OF HALF YEAR REPORT (continued)

The directors believe, based on the progress of transactions as described above, that at the date of signing the financial report there are reasonable grounds to believe that having regard to the matters set out above, the company and the consolidated entity will be able to raise sufficient funds to meet its obligations in the normal course of business as the conditions are met and the sale completed.

Should the company and the consolidated entity not achieve the matters set out above, there is significant uncertainty whether the company and 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 statements.

The 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 necessary should the Company and consolidated entity not be able to continue as going concerns.

2. SEGMENT INFORMATION

The Group’s operating segments have been identified based on how the financial and operating results of the Group are monitored and presented internally to the Administrator. During the course of the half year ended 31 December 2009, the consolidated entity remained under administration and was managed by the Deed Administrator, Mr Bryan Hughes (the chief operating decision maker).

The reportable segment is based on aggregated operating segments determined by the geographical location of operations and the nature of mineral exploration activity performed in Western Australia, as these are the sources of the Group’s major risks and has the most effect in assessing performance and allocating resources.

The Group has determined its operations to be of a single reporting segment based on reports reviewed by the Administrator for making strategic decisions, the similarity of mineral exploration activity and the regulatory environment.

As the Group is aggregated into one reportable segment, there are no inter-segment transactions. All assets and liabilities of the Group have been allocated to the single reporting segment identified which are located in Australia.

3. CASH

	CONSOLIDATED	
	31 Dec 2009	30 Jun 2009
	\$’000	\$’000
Cash at bank	1,312	1,445
Funds held on trust	5,724	-
	7,036	1,445
	7,036	1,445

4. CURRENT BORROWINGS

	CONSOLIDATED	
	31 Dec 2009	30 Jun 2009
	\$’000	\$’000
Finance lease (i)	300	594
Unsecured loans (ii)	-	29,711
	300	30,305
	300	30,305

(i) Finance leases are secured over the assets leased.

(i) Unsecured loans are as agreed in the Recapitalisation Deed settled on 26 February 2010, to the extent \$21,500,000 became due for repayment by 26 February 2012 and the balance formed part of the subsequent creditor trusts under the Recapitalisation Deed and due for repayment by 26 February 2011.

SWAN GOLD MINING LIMITED
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5. NON-CURRENT OBLIGATIONS TO THE GROUP TRUST

The consolidated entity recognised a non-current obligation to the Group Trust being the final payment of \$3,209,300, due by 26 February 2011.

The consolidated entity did not recognise the Shortfall Amount as a non-current liability as the amount is subject to a series of events, some of which are not currently quantifiable. Thus, the balance of the obligations to the Group Trust are classified as current in accordance with the Recapitalisation Deed. The Shortfall Amount is defined in the Recapitalisation Deed as being \$25,533,281 less:

- a) the payment of \$2,961,000 made by Stirling Gold Pty Ltd to Territory Resources Limited;
- b) any proceeds received by Territory by reason of the assignment of the Minjar Dividend, which is Monarch’s right, title and interest under the Minjar Trust Deed (being \$8,250,000); and
- c) any sales proceeds from the sale of the property subject of the Davyhurst Charge, the Siberia Charge or Monarch (Territory) Charge less the reasonable costs incurred by Monarch, Davyhurst, Siberia or the Administrator in selling such property (currently not quantifiable, being subject to a series of events that may or may not occur in the future).

On completion of the Recapitalisation, the creditor claims against the Group were released and in return those creditors have reciprocal claims against the relevant creditors’ Trusts, including the Group Trust, the Mt Ida Trust and the Territory Trust.

6. CONTRIBUTED EQUITY

	CONSOLIDATED	
	31 Dec 2009	30 Jun 2009
	\$’000	\$’000
(a) Share capital		
742,820,993 (30 June 2009: 198,988,649) ordinary fully paid shares	164,666	137,474
(b) Movements in ordinary share capital	Shares	\$’000
Balance 1 July 2008	198,988,649	137,474
Issue of shares	-	-
Balance 31 December 2008	198,988,649	137,474
Balance 1 July 2009	198,988,649	137,474
Issue of shares pursuant to the Recapitalisation Deed:		
Stirling Gold Pty Ltd, at 5 cents per share	300,000,000	15,000
Crawley Investments Pty Ltd, at 5 cents per share	35,000,000	1,750
The Group Trust, at 5 cents per share	178,206,960	8,910
The Mt Ida Trust, at 5 cents per share	30,625,384	1,532
Balance 31 December 2009	742,820,993	164,666

A meeting of the creditors of the Company was held on 30 June 2009 to vote for varying the deed of company arrangement of each member of the Swan Gold Group (other than Mount Magnet Gold Pty Ltd (In Liquidation)) in accordance with the terms of the Recapitalisation Deed.

A meeting of the shareholders of the Company was held on 10 September 2009 to vote on the issue of shares and charges and change of Company name contemplated in the Recapitalisation Deed.

**SWAN GOLD MINING LIMITED
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6. CONTRIBUTED EQUITY (continued)

The Recapitalisation was completed on 26 February 2010 subsequent to the following conditions being satisfied:

- i. The deed of company arrangement of each member of the Swan Gold Group (other than Mount Magnet Gold Pty Ltd (In Liquidation)) was varied on 30 June 2009 in accordance with the terms of the Recapitalisation Deed (note, Creditors had already approved the Recapitalisation Deed).
- ii. On 10 September 2009, Swan Gold's Shareholders approved the issue of securities, payments and charges under the Recapitalisation.
- iii. Territory Resources Ltd became bound by the varied deeds of company arrangement on 30 June 2009. Stirling Resources Ltd guarantees the obligations of Stirling Gold Pty Ltd and (post completion), Swan Gold Mining Ltd.

The deed of company arrangement of each member of the Group (other than Mount Magnet Gold Pty Ltd (In Liquidation)) is varied so that upon completion of the Recapitalisation, the Group Companies are released from all Creditors' claims arising prior to administration (excluding inter-company loans); those claims being exchanged for claims against the respective Creditors' Trusts. Upon satisfaction of all of Swan Gold's obligations under the Recapitalisation, Swan Gold's Directors will also be released from all claims.

The Company made the following share issues on completion of the Recapitalisation Deed on 26 February 2010:

- a. 300,000,000 Shares to Stirling Gold Pty Ltd at an issue price of \$0.05 per Share and 100,000,000 free attaching 3 year \$0.05 Options for a total consideration of \$15,000,000.
- b. 35,000,000 Shares to Crawley Investments Pty Ltd in satisfaction of a \$1,750,000 debt owed by Swan Gold to Crawley.
- c. 208,832,344 Shares to the Creditors' Trusts at a deemed issue price of \$0.05 per Share. The Trustees of the Creditors' Trusts will sell their respective shares over a twelve month period and pay the net proceeds to Creditors other than Territory Resources Ltd.

This half year financial report reflects the issues as contemplated under the Recapitalisation Deed as at 31 December 2009, given the shareholders of the Company met on 10 September 2009 and approved the share issues as contemplated by the Recapitalisation Deed and detailed above. As at 31 December 2009, the Administrator on behalf of the Company had received \$7.977 million of the \$15.000 million owing from Stirling Gold Pty Ltd in relation to the recapitalisation, resulting in the Company's receivable of \$7.023 million being booked as at the half year end.

On 27 November and 1 December 2009, Swan Gold made distributions totalling \$829,910 in relation to priority employee entitlements pursuant to s556 of the Corporations Act 2001.

Swan Gold will make the following payments to Creditor's trusts for the following creditors:

1. Creditors of the Group (other than Mt Ida Gold Pty Ltd and Mt Ida Gold Operations Pty Ltd (together Mt Ida)) will be paid \$6,630,392 at Completion, and 3 equal payments of \$3,209,300 within 4, 8 and 12 months from Completion, being 26 February 2010. These payments are secured by a charge over the Swan Gold Group, other than Davyhurst Gold Pty Ltd and Siberia Mining Corporation Pty Ltd. Creditors will also receive the proceeds from the sale of Shares issued under paragraph (c) above.
2. Creditors of Mt Ida will be paid \$1,201,838 at Completion and 2 equal payments of \$506,700 within 4 and 8 months from Completion. Creditors will also receive the proceeds from the sale of Shares issued under paragraph c) above.
3. Territory Resources Ltd will be paid \$2,961,000 at Completion. Swan Gold will also assign its claims arising from the sale of Minjar Gold Pty Ltd to the Territory Trust, and within 24 months from Completion pay the Shortfall Payment. These payments are secured by a charge over Davyhurst Gold Pty Ltd and Siberia Mining Corporation Pty Ltd.

The funds will be distributed to Creditors according to the principles applicable to liquidations with employees to be paid their full entitlements following Completion.

7. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On 26 February 2010, the Recapitalisation Deed was formally completed, thereby effecting the retirement of Mr Bryan Hughes as Deed Administrator and transferring control of the Group to the new Board of Directors

Effective on this date Monarch Group Mining Company Ltd was re-named “Swan Gold Mining Limited” and Davyhurst Gold Pty Ltd was re-named “Carnegie Gold Pty Ltd.”

SWAN GOLD MINING LIMITED
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7. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE (continued)

At this time, the Receivers and Managers representing Territory Resources Limited retired and Territory Resources Limited’s charge was accordingly released.

Also at this time, charges were granted in favour of the Trusts governing the Group assets in order to secure the instalments due, pursuant to the Recapitalisation Deed.

On 18 August 2011, Swan Gold (“Swan” or “the Vendor”) executed a conditional agreement with global commodity company DCM DECOmetal GmbH (“DCM” or “the Purchaser”) to acquire Swan’s subsidiaries that own the Carnegie and Mt Ida gold projects (“the DCM transaction”).

The main conditions of the agreement which is subject to shareholder and regulatory approval, as necessary, will see:

- DCM acquire the debt and associated rights of the Mt Ida Trust for \$1,000,000;
- DCM pay a total amount of \$10,000,000 to the Group Trust with \$1,000,000 payable upon signing of the agreement and \$9,000,000 payable within 6 months;
- Under separate arrangement DCM acquire the debt and associated rights of the Territory Trust of \$6,700,000;
- All debts due by Swan to the Mt Ida Trust, Group Trust, Territory Trust and Stirling Resources Ltd be extinguished by DCM at settlement;
- Amounts to be paid to Swan of \$5,000,000 at settlement;
- All shareholdings held by Stirling, Territory Resources Limited and DCM in Swan be cancelled at settlement;
- DCM fund the ongoing operations of Swan until the transaction is completed; and
- Settlement due on or before 31 March 2012. Whilst this date has passed, the Share Sale Agreement remains in force and DCM have confirmed in writing that it will continue basic operational funding of Swan in accordance with the agreement.

The agreement does not become binding until the following conditions precedent are met:

- (a) the Financial Investment Review Board (FIRB) Condition has been satisfied;
- (b) the Vendor procuring all necessary third party consents to the Transaction (if any) and providing the Purchaser with a copy of such consents;
- (c) the Vendor obtaining all necessary shareholder approvals required by the Corporations Act and the Listing Rules in relation to the Transaction;
- (d) the Vendor obtaining the approval (by way of a deed or otherwise) of MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (e) completion of the assignment of the Mt Ida Debt and Mt Ida Securities from MGMC as trustee for the Mt Ida Trust to the Purchaser in accordance with the Mt Ida Assignment Deed;
- (f) an agreement is executed between the Purchaser and Territory Resources Limited, in its capacity as beneficiary under the Territory Trust pursuant to which the Territory Resources Limited will assign to the Purchaser and the Purchaser will take an assignment of all Territory Resources Limited’s rights and interests as beneficiary under the Territory Trust;
- (g) an agreement is executed between Stirling and the Vendor pursuant to which Stirling agrees to cancel the Stirling Debt, for no consideration, upon Settlement occurring; and
- (h) each of Territory, Stirling and the Purchaser (and each of their Related Bodies Corporate) agreeing to cancel all of their shares held in Swan, subject to Settlement occurring on 3 May 2012, the Company announced to the ASX, that following extensive negotiations, a binding Terms Sheet had been entered into by Swan, DCM DECOmetal GmbH (DCM) and Investmet Limited and/or its nominees (“Investmet”), with the execution of a formal agreement, being the Restructure Deed, on 16 May 2012.

On 3 May 2012, the Company announced to the ASX, that following extensive negotiations, a binding Terms Sheet, and subsequently a Restructure Deed, had been entered into by the Company, DCM DECOmetal GmbH (DCM) and Investmet Limited and/or its nominees (“Investmet”), with the execution of a formal agreement, being the Restructure Deed, on 16 May 2012 (“the Investmet transaction”).

Investmet has advised it intends to recapitalize Swan and provide sufficient funding to complete a review into recommencement of operations at the Carnegie and Mt Ida gold projects, including amongst other items thorough geological and economic reviews of resources, project data, exploration activities as required, and mine planning.

Investmet will also work with the current board of Swan towards finalizing the application for re-listing of the shares of Swan (Swan shares) on the Australian Stock Exchange (ASX) (subject to ASX approval) as soon as possible after completion.

**SWAN GOLD MINING LIMITED
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7. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE (continued)

The main terms and conditions of the Restructure Deed are as follows:

- Swan will conduct a share placement to sophisticated investors to raise working capital of a minimum of \$7,500,000 by the issue of new ordinary shares at \$0.02 effective on completion of the transaction (Completion). The issue will be fully underwritten by Investmet on terms reasonably satisfactory to Investmet and the Company;
- DCM will transfer 39,849,657 Swan shares to Investment in consideration for a cash payment by Investmet to the Trustee of the Territory Trust of \$6,700,000 in satisfaction of all claims by the Territory Trust;
- The Group Trustee will transfer 134,483,578 Swan shares to Investmet as consideration for the payment by Investmet to the Group Trust of \$10,000,000; the payment will also extinguish all claims by the Group Trust under the recapitalization deed;
- Investmet will pay \$144,240 to the Trustee of the Group Trust on behalf of Swan to repay the loan made by the Trustee to Swan. Swan agrees to repay Investmet on interest free terms \$144,240 within two business days of a written demand by Investmet.
- Investmet will advance \$1,230,000 to DCM in consideration of DCM discharging the existing charge over the Mt Ida assets. A fresh security is to be granted by Swan as required to Investmet;
- DCM to fund ongoing operations of Swan until Completion; and
- The Conditions of the Restructure Deed are to be satisfied or waived on or before 31 October 2012, with the exception of shareholder and regulatory approvals, and Loan Syndicate Arrangements which are to be finalised by 31 December 2012. Beyond these dates an alternative restructure or extension period are to be negotiated in good faith, but should no agreement be made within 5 Business Days then either party may terminate the Deed without incurring any liability.

The Conditions for Completion to occur includes amongst other items:

- Agreement on documentation relating to Investmet’s funding arrangements;
- The share sale agreement between Swan and DCM dated 18 August 2011 (as varied) being terminated on Completion with no further liability for either party;
- The Recapitalisation Deed between Swan, Stirling Resources Ltd and others dated 21 June 2009 (as amended) being terminated on Completion with no further liability for Swan;
- Any plaintiff proceedings relating to the tenements of Swan and its subsidiaries are to be discontinued or withdrawn on terms satisfactory to Investmet by 31 October 2012. Investmet may immediately terminate if it considers that the plaintiff condition will, or may, not be satisfied by 31 October 2012; and
- All necessary shareholder, third party or regulatory approvals;

This transaction is also conditional on the completion of inter-related transactions between Investmet, DCM and each of Stirling Resources Limited and Redbank Copper Limited, the terms of which have been finalised but not released.

Investmet and DCM intend to establish syndicated loan arrangements with Swan, to include the new security charges to regulate secured debt over Swan incorporating a two year moratorium on principal repayments and at the end of the two year moratorium Swan may elect to repay the debt or require conversion at a price to be agreed between the parties.

Subsequent to period end a number of the Group’s tenements were subject to plaintiff proceedings due to the Group not meeting its minimum expenditure requirements on the tenements. The majority of the plaintiffs have now been settled by the Company. The ability of the Group to maintain tenure to its tenements is dependent upon it continuing to meet the minimum expenditures on the tenements or obtaining exemptions for tenements in which the minimum expenditures have not been met.

8. CONTINGENT LIABILITIES

There were no contingent liabilities identified as at 31 December 2009.

**SWAN GOLD MINING LIMITED
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DIRECTORS’ DECLARATION

In accordance with a resolution of the directors of Swan Gold, I state that:

1. In the opinion of the directors:

a. The financial statements of the consolidated entity are in accordance with the Corporations Act 2001, including:

i. Giving a true and fair view of the consolidated entity’s financial position as at 31 December 2009 and of its performance for the half year ended on that date.

ii. Complying with AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

b. Subject to the matters disclosed in Note 1, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the half year ended 31 December 2009.

On behalf of the board



D Delaney

Director

Perth, Western Australia

19 October 2012

To the members of Swan Gold Mining Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Swan Gold Mining Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year 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 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 establishing 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 2009 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 Swan Gold Mining Limited and the entities it controlled during the half-year, 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 have given to the directors of the company a written Auditor's Independence Declaration a copy of which is included in the Directors' 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 Swan Gold Mining Limited is not in accordance with the *Corporations Act 2001*, including:

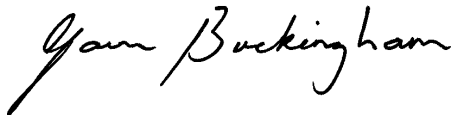
- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our conclusion expressed above, we draw attention to Note 1 in the financial report. As a result of the matters described in Note 1, there is significant uncertainty whether the consolidated entity will continue as a going concern, and therefore whether the consolidated entity 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 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 necessary should the consolidated entity not continue as a going concern.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'G A Buckingham'.

G A Buckingham
Partner
Perth
19 October 2012