FALCON MINERALS LIMITED

ACN 009 256 535

HALF-YEAR FINANCIAL STATEMENTS
31 DECEMBER 2009

FALCON MINERALS LIMITED
ACN 009 256 535

HALF YEAR FINANCIAL STATMENTS
For the Half Year Ended 31 December 2009

CONTENTS

FALCON MINERALS LIMITED
ACN 009 256 535

COMPANY DIRECTORY

DIRECTORS

Mr Richard Diermajer	(Managing Director)
Mr Raymond Muskett	(Non-Executive Director)
Mr Graeme Cameron	(Executive Director)

COMPANY SECRETARY

Mr Dean Calder

REGISTERED OFFICE

Falcon Minerals
Suite 19, 100 Hay Street
SUBIACO WA 6005

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Facsimile: +61 8 9382 4637

SHARE REGISTRY

Advanced Share Registry
110 Stirling Highway
NEDLANDS WA 6009

Telephone: +61 8 9389 8033

AUDITORS

Stantons International
Level 1, 1 Havelock Street
WEST PERTH WA 6005

STOCK EXCHANGE LISTING

The Company's shares and options are listed and quoted on the Australian Securities Exchange Limited.
Home Exchange: Perth, Western Australia

Australian Securities Exchange Limited Code: FCN

FALCON MINERALS LIMITED
ACN 009 256 535

DIRECTORS' REPORT
For the Half Year Ended 31 December 2009

Your directors submit the financial report of the Company for the half-year ended 31 December 2009.

DIRECTORS

The names of the directors of the Company in office during the half year and to the date of this report are:-
Mr Richard Diermajer
Mr Raymond Muskett
Mr Graeme Cameron
Mr Peter Langworthy (resigned 31 July 2009)

RESULT

The loss after tax for the half-year ended 31 December 2009 was $428,853 and for the half year ended 31 December 2008 was $318,657.

REVIEW OF OPERATIONS

Collurabbie Project – W.A.
(**Nickel, Copper and Platinum Group Elements)**
(Falcon 100%)

During the half year, Falcon completed negotiations with BHP Billiton Nickel West Pty Ltd (BHPB) resulting in the termination of the Collurabbie Joint Venture Agreement and the execution of a new agreement between the parties whereby:-

a) BHPB assigned its interest in the Collurabbie Joint Venture together with a number of adjacent wholly-owned tenements to Falcon.

b) Falcon granted BHPB a first right to enter into exclusive negotiations for offtake arrangements, and a second right to match any third party offers for offtake on any ore or concentrate produced from the tenements and the deposits within the Collurabbie Joint Venture area.

The Collurabbie tenements are located 160 km east of Mt Keith and 200 kilometres north of Laverton in the North Eastern Goldfields of Western Australia.

Previous regional aircore drilling identified several zones of strongly anomalous nickel, copper and platinum group elements (PGE's) mineralization with follow-up diamond drilling intersecting a massive sulphide zone at the Olympia prospect of over 5.77m with 3.00% nickel, 1.96% copper and 5.29 g/t PGE's.

The newly acquired Collurabbie tenements comprise a total of 413km^2 and provide Falcon with a strongly consolidated position over nearly 42 kilometres of highly-prospective ultramafic stratigraphy with known massive nickel sulphide occurrences as previously reported at the Olympia and Rhodes Prospects (Figure 1).

Within the acquired BHPB ground previously drilling has intersected nickel-copper sulphides with elevated platinum-palladium at three key prospects, namely Achilles, Troy and Spartacus. Several strong conductors have been identified at each of these prospects and will require drill testing.

Significant potential remains for further massive Ni-Cu-PGE sulphide discoveries within Falcon's Collurabbie package of ground with initial campaign style work programmes during 2010 including RC/diamond drilling proposed at Olympia, Rhodes, Troy, Spartacus and Agora.

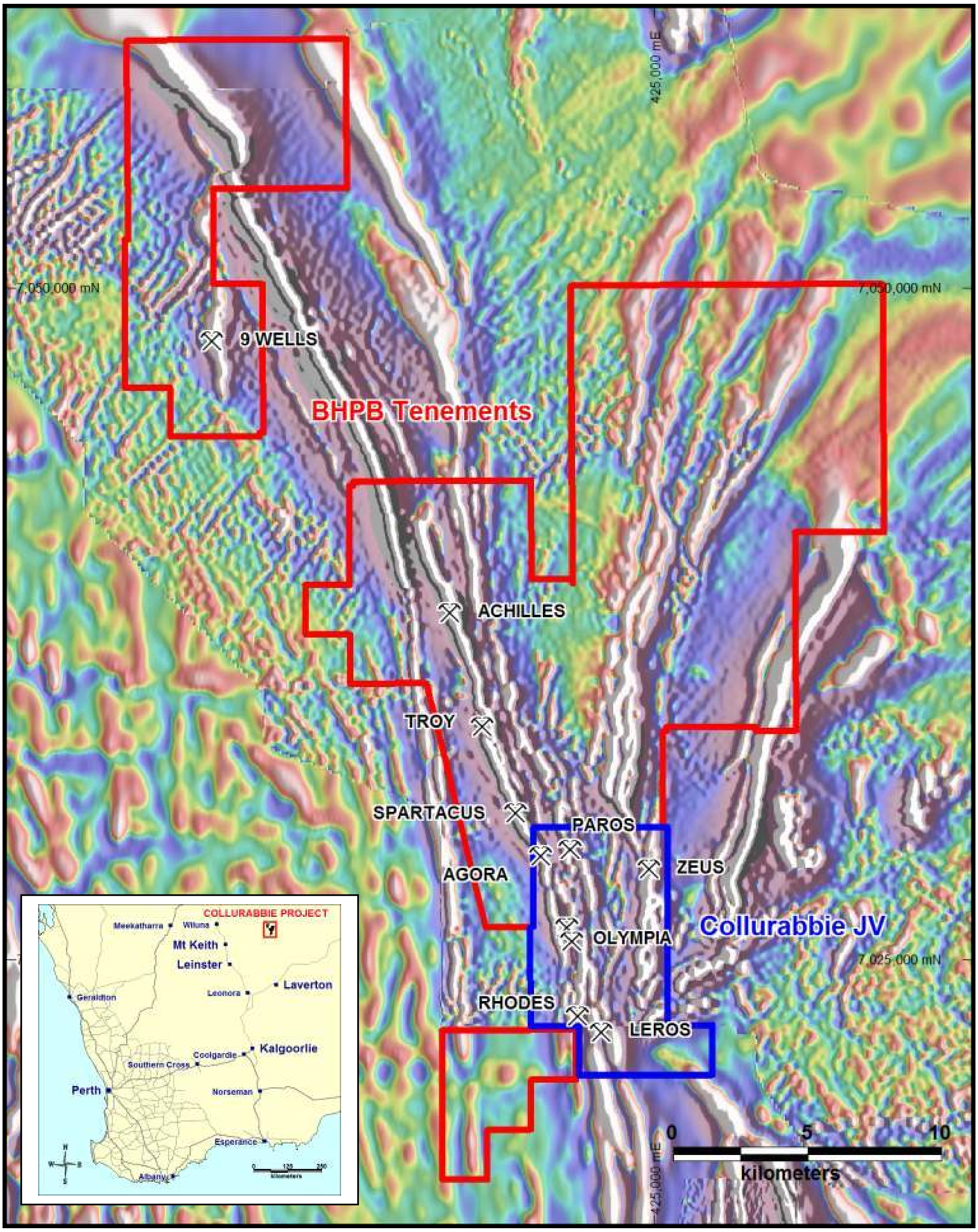

Figure 1 – Falcon land position at Collurabbie with nickel sulphide occurrences over regional magnetic image.

Saxby Joint Venture – Queensland
(Gold, Nickel and Copper)
(Falcon 49%, AngloGold Ashanti Australia 51 % earning 70%)

Background
The Saxby project which is located 150 km northeast of Cloncurry in Northwest Queensland was acquired under Falcon's Olympic Dam and VMS Initiative, and is considered to have good potential for both Iron Oxide-Copper-Gold (IOCG) copper-gold and mafic-hosted (Voisey's Bay) Ni-Cu massive sulphide systems.

Under the previous joint venture with Anglo American Exploration (AAE), a low-temperature SQUID TEM (transient electro-magnetic) survey was completed in late 2007-2008 identifying several strong bedrock conductors resulting in the drilling of 7 diamond holes (SXDD001-007) for a total of 5,274 m.

Drillhole SXDD005 collared at 7866200N, 488200E, intersected significant mineralization as follows:

- 17m @ 6.75g/t gold from 631m to 648m
  Including 5m @ 19.30g/t gold from 635m to 640m
  And 1.3m @ 67.23g/t gold from 636.7 to 638m (with copper up to 1198ppm)

- 7m @ 1.98g/t gold from 614m to 621m

The gold mineralised zone intersected in SXDD005 is interpreted to be part of a much broader zone from 610-648m characterised by strong IOCG-style "red rock" K-feldspar-calcite-magnetite-quartz alteration in strongly brecciated metasediments and pegmatite sills.

In August 2009 AngloGold Ashanti Limited (AGAA) purchased the interests and rights of AAE in the Saxby Joint Venture. AGAA has since completed airborne magnetic-radiometric surveying on 100 metre spaced lines, infill SQUID electromagnetic surveying and infill ground gravity surveying on 250m x 250m station spacing.

Geophysical processing to date clearly identifies a string of discrete IOCG-style magnetic/gravity targets that are interpreted to be potentially associated with gold-copper mineralised quartz-sulphide-magnetite breccia bodies to the south and north of discovery drillhole SXDD005 (Figure 2).

Five (5) diamond drill holes are being planned for the April-June Quarter 2010 to follow-up the gold mineralised interval in SXDD005 and to test geophysical targets along strike and to the east.

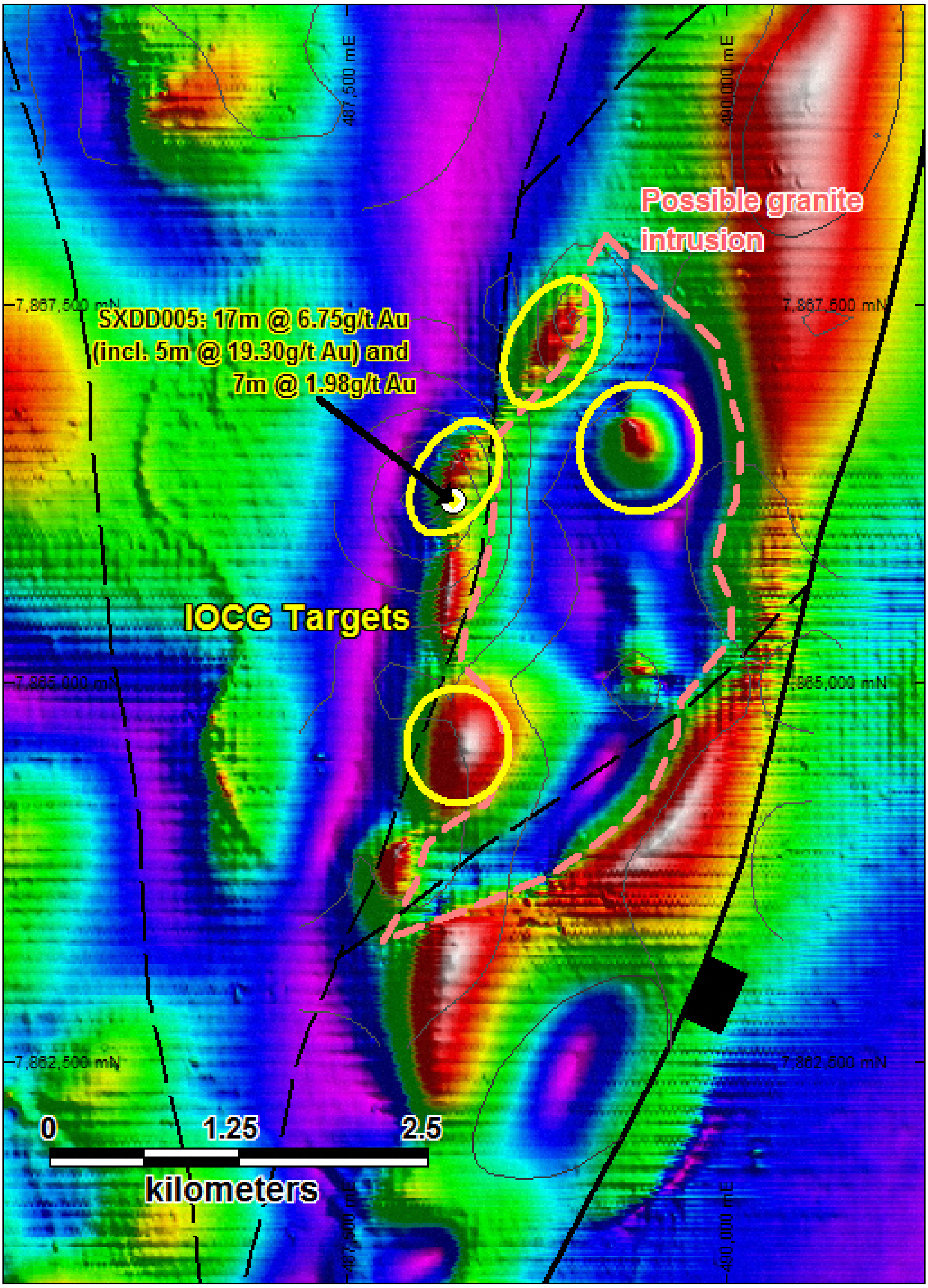

Figure 2: Saxby Project. Detailed magnetic data with interpreted geology, drilling results and IOCG targets in yellow.

New Project Generation

Under the Company's 2009 Iron Oxide-Copper-Gold (IOCG) exploration initiative, several new high-calibre project areas have been acquired in the north of the Gawler Craton, South Australia, and the Mt Isa Inlier in the Cloncurry region of Northern Queensland.

Gawler Craton – South Australia
(Copper, Gold, Uranium)
(Falcon 100%)

Regional targeting for IOCG systems within the Gawler Craton has been completed using fully-integrated geophysical, geochemical and geological datasets to identify key controls on major mineralising systems. High priority targets have been delineated resulting in the following five project areas, covering 2081km^2 being acquired:

- Mt Margaret
- Mt Charles
- Four Hills
- Peake Creek
- Mangun (West Coober Pedy)

Of these, four high-priority areas are located within the Peake-Denison Inlier (Figure 3), a major uplifted Paleo-Proterozoic basement block with discrete gravity-magnetic anomalies associated with major basement fault intersections, similar to geological settings at Olympic Dam and Prominent Hill.

Within the project areas, widespread copper (and gold) occurrences that have been found appear to be associated with haematite-rich breccia bodies and quartz veins along Proterozoic basin margins. Previous exploration largely comprised gravity and magnetic surveys and reconnaissance geochemistry with very little drill testing.

Falcon Minerals is currently conducting 3D geophysical modelling to better define drill targets for on-ground follow-up work in 2010.

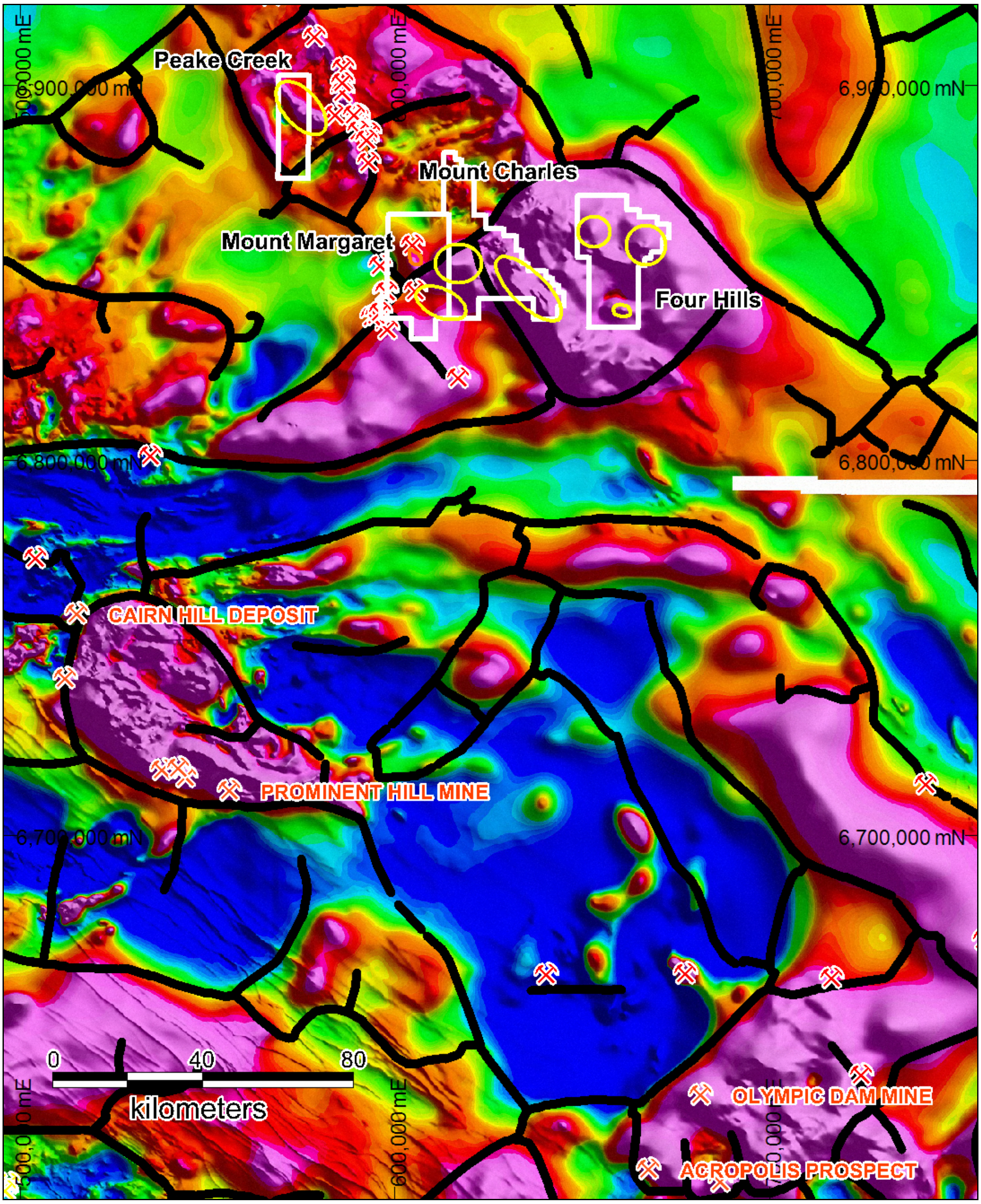

Figure 3: North-Eastern Gawler Craton, South Australia. Bouger gravity image and major gravity structures. Falcon project areas are shown in white and coincident gravity/magnetic targets in yellow.

Mt Isa Inlier – Queensland
(Copper, gold)
(Falcon 100%)

Regional targeting for Ernest Henry- and Osborne-style Iron Oxide Copper-Gold (IOCG) systems has also been completed for the Mt Isa Inlier with three exploration permits being applied for over highly ranked targets.(Figure 4).

Further work is being conducted to determine the nature and significance of these targets.

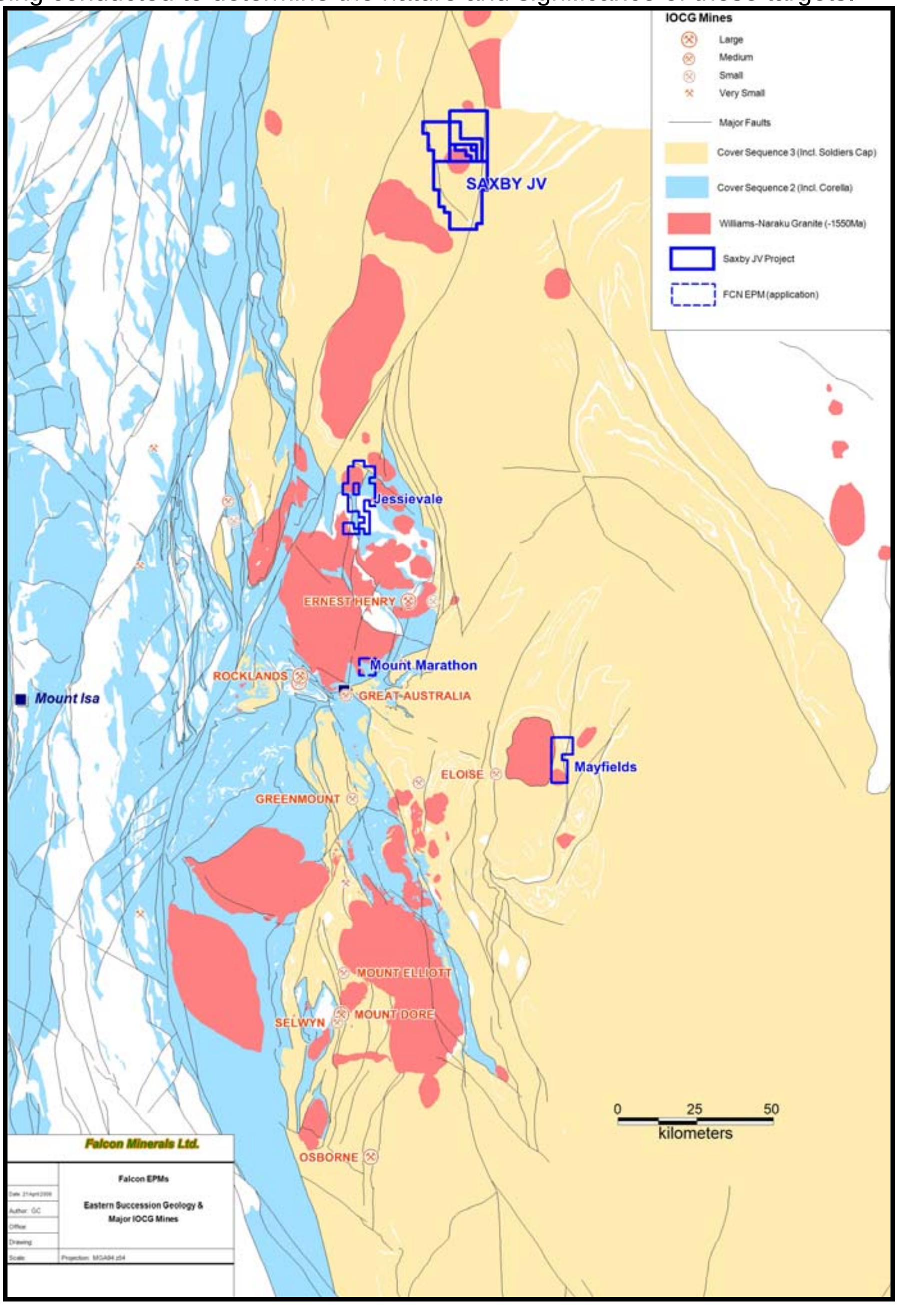

Figure 4: Mt Isa region showing Falcon EPM applications and current Saxby Project area.

Windanning Hill Joint Venture – W.A.
(Gold, Iron Ore)
(Minjar Gold Pty Ltd 78.5%, Falcon 21.5% diluting)

The Windanning JV is located within the Yalgoo-Singleton greenstone belt, 400 km north-north-east of Perth. The Yalgoo belt contains the world class Gossan Hill and Scuddles base metal deposits at Golden Grove and the Mt Gibson gold project. Falcon retains its 21.5% equity in two separate joint ventures at Windanning Hill, each with Minjar Gold (gold and base metals) and Gindalbie Metals (iron ore).

The Windanning Hill JV hosts the Keronima gold deposit comprising a JORC-compliant Inferred Resource of 281,000 tonnes @ 2.2 g/t gold for 19,900 ounces of contained gold.

During the December quarter 2009, Minjar Gold completed a resource definition RC drilling programme at Keronima comprising 43 drill holes for 3749m on 20m x 20m centres. The drill programme aimed to better define gold mineralisation at the Keronima Prospect, and to upgrade the current resource base in preparation for pre-feasibility optimisation and mining studies.

Gindalbie also completed a limited RC programme during the same period to test the iron ore potential of the Keronima iron formations on the western portion of M59/380 with results awaiting. Previous rock chip sampling returned analyses with up to 60% iron.

Deleta Joint Venture – Duketon and North Duketon Projects – W.A.
(Gold and Nickel-Copper-Platinum Group Elements)
(Regis 80%, Falcon 20%)

The North Duketon Joint Venture which comprises a large area of about 100 square kilometres within the Duketon greenstone belt is located directly south of the Collurabbie Project and to date, has returned broadly anomalous Ni-Cu-PGE drilling results from several prospects along the Collurabbie Ultramafic trend. The Duketon project lies immediately due north of the regionally significant Moolart Well gold resource (2.22Moz).

During the September 2009 quarter, RC drilling was completed at Giles Nickel Prospect along the Western Ultramafic Zone at Collurabbie (Figure 5.) to test beneath earlier aircore Ni-Cu-PGE geochemical anomalies.

The drilling did not intersect nickel sulphides despite encountering wide zones of High-MgO, cumulate-textured peridotite and footwall sulphidic sediments, with the source of the Ni-Cu-PGE anomalism encountered in earlier shallow drillholes remaining unexplained. Further work to better understand the distribution of metals in the regolith profile and their relationship to possible nickel sulphides at depth is required.

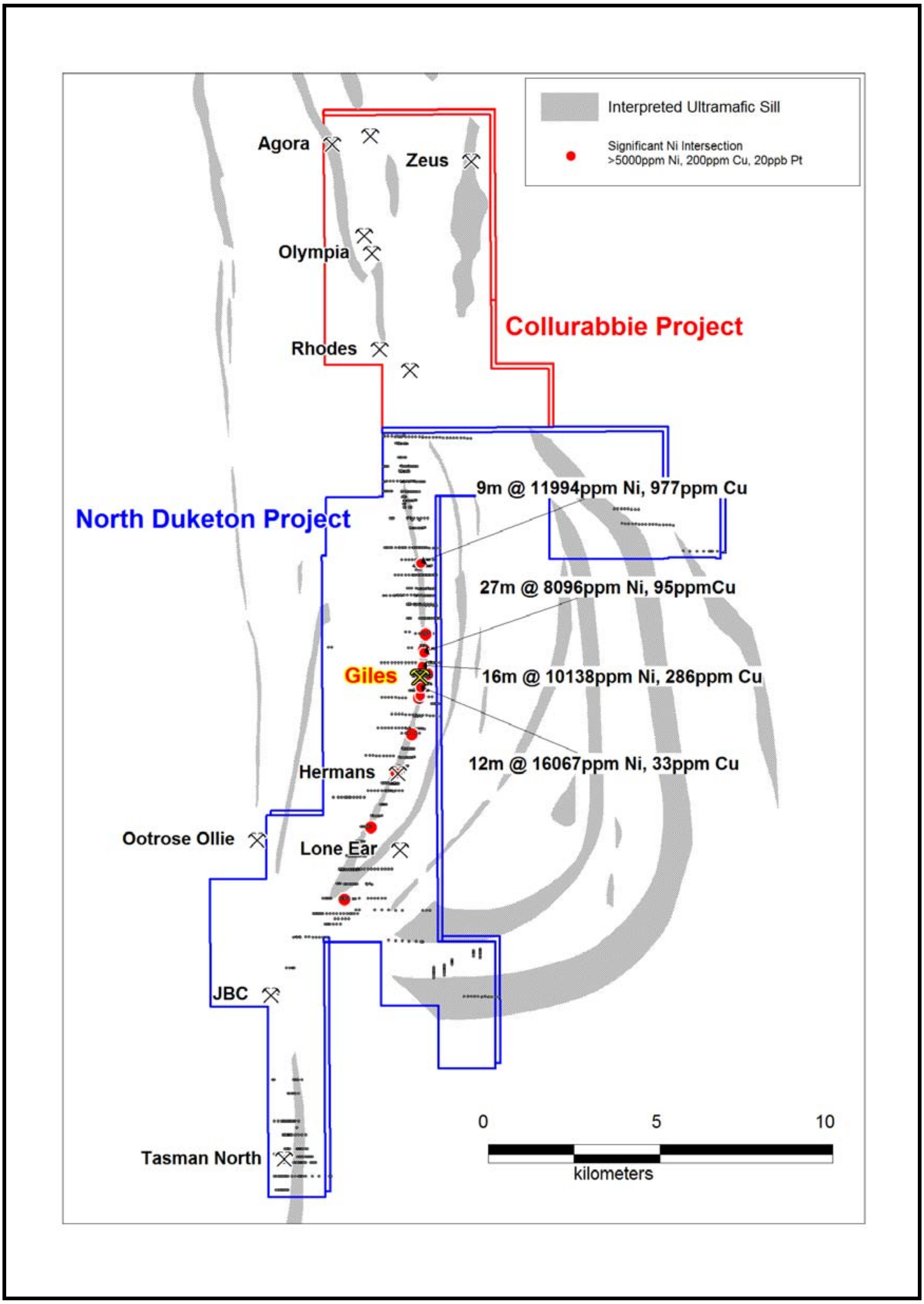

Figure 5: Location of North Duketon JV Project, interpreted geology and Ni-Cu-PGE prospects.

Significant gold mineralisation was intersected in holes RRLCRRC005, 006, 007, and 009 (Table 1). The gold-bearing intervals are hosted by sulphidic carbonaceous black shale and mafic/ultramafic rocks, within shear zones with disseminated pyrite and arsenopyrite.

Table 1: Significant gold intersections from RC drilling at the Giles Prospect, North Duketon JV (E38/1939).

HOLE NO	NORTHING	EASTING	FROM (m)	TO (m)	METRES	Au g/t
RRLCRRC005	7013280	423255	100	104	4*	0.69
RRLCRRC005	7013280	423255	124	128	4*	1.31
RRLCRRC005	7013280	423255	140	144	4*	0.69
RRLCRRC006	7013280	423205	136	148	12*	3.20
RRLCRRC006	7013280	423205	208	220	12*	1.99
RRLCRRC007	7013200	423200	132	136	4*	3.96
RRLCRRC007	7013200	423200	140	141	1	0.51
RRLCRRC007	7013200	423200	208	216	8*	1.10
RRLCRRC009	7013400	423280	180	184	4*	1.33

NB: * = 4m composite interval/s

Further work to determine the significance of these gold results is being carried out.

EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the half year which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 14 for the half year ended 31 December 2009**.**

This report is signed in accordance with a resolution of the board of directors.

Richard Edward Diermajer
Managing Director

Dated this 16th day of February 2010

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16 February 2010

Board of Directors
Falcon Minerals Limited
Suite 19, 100 Hay Street
SUBIACO, WA 6008

Dear Directors

RE: FALCON MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Falcon Minerals Limited.

As Audit Director for the review of the financial statements of Falcon Minerals Limited for the period ended 31 December 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

STANTONS INTERNATIONAL
(Authorised Audit Company)

Keith Lingard
Director

FALCON MINERALS LIMITED
ACN 009 256 535

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
For the Half Year Ended 31 December 2009

	Note	31 December 2009 $	31 December 2008 $
Revenue	2	77,837	111,790
Operating Expenses			
Occupancy expenses		(20,704)	(34,321)
Administrative expenses		(287,370)	(276,971)
Depreciation	2	(8,044)	(11,386)
Exploration expenditure written off	2	(190,572)	(107,769)
		(506,690)	(430,447)
Loss before income tax		(428,853)	(318,657)
Income tax		-	-
Loss after tax		(428,853)	(318,657)
Other comprehensive income			
Revaluation of financial assets to fair value		155,000	(35,900)
Total other comprehensive income/(loss) for the period		155,000	(35,900)
Total comprehensive income/(loss)		(273,853)	(354,557)
Loss attributable to members of Falcon Minerals Limited		(428,853)	(318,657)
Total comprehensive income/(loss) attributable to members of Falcon Minerals Limited		(273,853)	(354,557)
Loss per share (cents per share)	4	(0.30)	(0.22)

Diluted earnings per share does not represent an inferior view of the Company's performance and is not disclosed for this reason.

The above Condensed Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

FALCON MINERALS LIMITED
ACN 009 256 535

CONDENSED STATEMENT OF FINANCIAL POSITION
As at 31 December 2009

	31 December 2009 $	30 June 2009 $
Current Assets		
Cash and cash equivalents	2,512,608	2,872,947
Trade and other receivables	70,780	37,597
Financial assets	175,000	20,000
Total Current Assets	2,758,388	2,930,544
Non-Current Assets		
Plant & equipment	32,696	36,527
Financial assets	14,404	14,404
Total Non-Current Assets	47,100	50,931
Total Assets	**2,805,488**	**2,981,475**
Current liabilities		
Trade and other payables	59,195	39,083
Provisions	14,811	5,228
Total Current Liabilities	74,006	44,311
Total Liabilities	**74,006**	**44,311**
Net Assets	**2,731,482**	**2,937,164**
Equity		
Issued capital	16,632,472	16,632,472
Reserves	301,924	78,753
Accumulated losses	(14,202,914)	(13,774,061)
Total Equity	**2,731,482**	**2,937,164**

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

FALCON MINERALS LIMITED
ACN 009 256 535

CONDENSED STATEMENT OF CHANGES IN EQUITY
For the Half-Year ended 31 December 2009

	Share Capital $	Option Reserve $	General Reserve $	Accumulated Losses $	**Total** **$**
Balance at 1.7.08	16,632,472	35,890	38,400	(11,028,489)	5,678,273
Effect of change in accounting policy	-	-	-	(2,419,141)	(2,419,141)
As restated	16,632,472	35,890	38,400	(13,447,630)	3,259,132
Total comprehensive income for the period					
Loss for the half year	-	-	-	(318,657)	(318,657)
Revaluation of financial assets to fair value	-	-	(35,900)	-	(35,900)
Total comprehensive loss for the period	-	-	(35,900)	(318,657)	(354,557)
Balance at 31.12.08	16,632,472	35,890	2,500	(13,766,287)	2,904,575

	Share Capital $	Option Reserve $	General Reserve $	Accumulated Losses $	**Total** **$**
Balance at 1.7.09	16,632,472	63,753	15,000	(13,774,061)	2,937,164
Total comprehensive income for the period					
Loss for the half year	-	-	-	(428,853)	(428,853)
Revaluation of financial assets to fair value	-	-	155,000	-	155,000
Total comprehensive loss for the period	-	-	155,000	(428,853)	(273,853)
Issue of shares	-	-	-	-	-
Share issue costs	-	-	-	-	-
Employee share options	-	68,171	-	-	68,171
Balance at 31.12.09	16,632,472	131,924	170,000	(14,202,914)	2,731,482

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes.

FALCON MINERALS LIMITED
ACN 009 256 535

CONDENSED STATEMENT OF CASH FLOWS
For the Half Year Ended 31 December 2009

	31 December 2009 $	31 December 2008 $
Cash flows from operating activities		
Payments to suppliers and employees	(227,408)	(273,328)
Interest received	57,553	107,385
Exploration, evaluation and project generation	(186,270)	(112,769)
Net cash (used in) operating activities	(356,125)	(278,712)
Cash flows from investing activities		
Payments for plant and equipment	(4,214)	(6,430)
Proceeds from disposal of shares	-	40,771
Net cash from / (used in) investing activities	(4,214)	34,341
Net decrease in cash and cash equivalents held	(360,339)	(244,371)
Cash and cash equivalents at the beginning of the period	2,872,947	3,169,114
Cash and cash equivalents at the end of the period	2,512,608	2,924,743

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1. BASIS OF PREPARATION

The half year financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standard AASB 134 Interim Financial Reporting, applicable accounting standards and other mandatory professional reporting requirements.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2009 and any public announcements made by Falcon Minerals Limited during the half-year in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001.*

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the entity as in the full financial report.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the financial year ended 30 June 2009.

In the half-year ended 31 December 2009, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2009.

It has been determined by the Company that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and, therefore, no change is necessary to the Company's accounting policies. The disclosure requirements of AASB 101 have been adopted.

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

Exploration and evaluation costs

Exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

2. OPERATING LOSS

	31 December 2009 $	31 December 2008 $
Operating loss before income tax has been determined after:		
(a) Revenue:		
Interest received	77,837	105,019
Profit on sale of investments	-	6,771
(b) Expense:		
Depreciation	8,044	11,386
Exploration expenditure written off	190,572	107,769
Share based payments	68,171	-

3. ISSUED CAPITAL

There were no movements in issued and paid up ordinary capital of the Company during the half-year ended 31 December 2009.

4. EARNINGS PER SHARE

	Half Year 31 December 2009 cents	Half Year 31 December 2008 cents
Basic (loss) per share	(0.30)	(0.22)

Weighted average number of ordinary shares used in calculation of basic loss per share is 142,526,303 (31 December 2008: 142,526,303). Options to purchase ordinary shares not exercised at 31 December 2009 have not been included in the determination of basic earnings per share.

5. SEGMENT REPORTING

The Company operates in the mineral industry in Australia.

6. CONTINGENT ASSETS AND LIABILITIES

An agreement has been reached with Basin Minerals Holdings Pty Ltd for the purchase of Falcon Minerals 10% equity in the Echo Minerals Sands Project. The second instalment of consideration is $400,000 (subject to CPI) on commencement of excavation of ore from the project area. In the opinion of the directors there are no contingent liabilities as at 31 December 2009.

7. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the half year which will significantly affect, or may significantly affect, the state of affairs or operations of the reporting entity in future financial periods.

FALCON MINERALS LIMITED
ACN 009 256 535

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 15 to 21, are in accordance with the Corporations Act 2001, including:

    (a) complying with Accounting Standard AASB 134 – Interim Financial Reporting, the Corporations Regulations and other mandatory professional reporting requirements; and

    (b) giving a true and fair view of the Company's financial position as at 31 December 2009 and of its performance, as represented by the results of its operations and its cash flows, for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that Falcon Minerals Limited 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 directors.

Dated at Perth this 16th day of February 2010

Richard Edward Diermajer
Managing Director

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
FALCON MINERALS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Falcon Minerals Limited, which comprises the condensed statement of financial position as at 31 December 2009, and the condensed statement of comprehensive income, condensed statement of changes in equity, and condensed statement of cash flows for the half-year ended on that date, a condensed statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Falcon Minerals Limited (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 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 Standards on Review Engagements ASRE 2410 *Review of Interim Financial 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 Company'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 Falcon Minerals 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.

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

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*, has been provided to the directors of Falcon Minerals Limited on 16 February 2010.

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 Falcon Minerals Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Company's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

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

STANTONS INTERNATIONAL
(An Authorised Audit Company)

Stantons International

Keith Lingard
Director

West Perth, Western Australia
16 February 2010