

**APPENDIX 4D
HALF-YEAR INFORMATION GIVEN TO THE ASX
UNDER LISTING RULE 4.2A**

**GSF CORPORATION LIMITED
ABN 98 084 370 669**

**HALF YEAR ENDED
31 DECEMBER 2006**

The information provided in this report should be read in conjunction with the most recent annual financial statements and ASX announcements.

Results for Announcement to the Market

During the course of the voluntary administration / deed of company arrangement, ASIC granted the Company the following reporting relief:

1. an exception under Section 340(1) of the Corporations Act from its financial reporting obligations in Section 302 of the Corporations Act for the financial year ended 30 June 2006; and
2. a no-action letter in relation to the Company's failure to prepare, have audited and lodge a half-year report for the half year ended 31 December 2005.

Audited financial statements have not been prepared since the 30 June 2005 annual report. Accordingly, no comparative financial information has been prepared in respect of the half year ended 31 December 2005 or at 30 June 2006.

	\$	Up/down	% Movement
Revenue from ordinary activities	22,868	N/A	N/A
Net profit / (loss) from ordinary activities after tax attributable to members	(3,386,542)	N/A	N/A
Net profit / (loss) attributable to members	(3,386,542)	N/A	N/A

Dividends

No dividend was paid or proposed during the period.

Net Tangible Assets

Net tangible assets per ordinary share 0.31 cents

Details of Controlled Entities

Control gained over entities during the period Ocean Premium Seafood Pty Ltd (51%)
Loss of control of entities during the period Nil

Details of Associates and Joint Venture Entities

Equity accounted associates and joint venture entities Nil
Aggregate share of Profit / (losses) of associates and joint venture entities Nil

Audit Disputes or Qualification

The financial statements were qualified because:

1. Audited financials have not been prepared since 30 June 2005 and therefore no comparative financial information has been prepared in respect of the half year ended 31 December 2005 or at 30 June 2006. This is a departure from AASB 134.
2. It was not possible to determine if opening balances for 1 July 2006 are fairly stated.

GSF CORPORATION LIMITED
(Previously Global Seafood Australia Limited)
ABN 98 084 370 669
AND CONTROLLED ENTITIES

INTERIM FINANCIAL REPORT
31 DECEMBER 2006

CORPORATE DIRECTORY

Directors

Joshua Mann
Ian Hobson
Aaron Finlay

Company Secretary

Ian Hobson

Auditors

Ernst & Young

Bankers

Westpac Banking Corporation

Registered Office

Suite 6,
245 Churchill Ave
Subiaco WA 6008
Telephone: +61 8 9217 3300
Facsimile: +61 3 9388 3006

Share Registry

Link Market Services Limited
Level 12
300 Queen Street
Brisbane QLD 4000

Phone: (02) 8280 7454
Fax: (02) 9287 0303

Stock Exchange Listing

Securities of GSF Corporation Limited are listed on the Australian Stock Exchange.

ASX Code: GSF

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DIRECTORS' REPORT

Your directors submit the financial report of GSF Corporation Limited for the half-year ended 31 December 2006.

Directors

The names of the directors of the Company in office during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Ian Boot	(Resigned 15 August 2006)
Efrem Gamba	(Resigned 15 August 2006)
David Edgar	(Resigned 15 August 2006)
Hugh Warner	(Appointed 15 August 2006, resigned 1 December 2006)
Ian Hobson	(Appointed 15 August 2006)
Josh Mann	(Appointed 15 August 2006)
Aaron Finlay	(Appointed 1 December 2006)

Corporate developments

At a meeting of shareholders held on 9 October 2006, shareholders voted to accept the terms of a restructure that would see the company released from external administration after the payment of prescribed funds and the transfer of certain assets to the trustee for creditors. The deed of company arrangement was wholly effectuated on 9 October 2006. A prospectus dated 12 October 2006 was issued and closed fully subscribed. The Company allotted 280 million shares and 40 million options raising \$1,901,000. The company was re-admitted to the official list of ASX on 9 November 2006.

Review and results of operations

The operating loss for the half-year for the Company was \$3,386,542. The loss included a payment to the deed administrator to settle the deed of company arrangement of \$750,000 and a loss as a result of the terms of the deed of company arrangement of \$2,485,295. The balance of the loss consisted of normal operating expenditure and costs associated with the re-construction and re-listing of the Company.

A 51% owned subsidiary, Ocean Premium Seafood Pty Ltd ("OPS"), was established prior to period end to conduct the Wholesale Business. The Company will provide OPS with working capital, certain processing and packaging materials retained by the Company following termination of the DOCA and the Company's intellectual property rights, including the right to use its brand, trademark, logo and wholesale trading platform. The Directors have entered into an agreement with Neal Harris and Ocean Seafood Solutions Pty Ltd pursuant to which Harris will manage the Wholesale Business.

Reporting Relief

During the course of the voluntary administration / deed of company arrangement, ASIC granted the Company the following reporting relief:

1. an exception under Section 340(1) of the Corporations Act from its financial reporting obligations in Section 302 of the Corporations Act for the financial year ending 30 June 2006;
2. an order pursuant to Section 250P of the Corporations Act to extend the period within which it is required to hold its annual general meeting of Shareholders to 28 February 2007; and
3. a no-action letter in relation to the Company's failure to prepare, have reviewed and lodge a half-year report for the half year ended 31 December 2005.

Audited financial statements have not been prepared since the 30 June 2005 annual report. Accordingly, no comparative financial information has been prepared in respect of the half year to 31 December 2005 or the year ended 30 June 2006.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors, Ernst & Young, to provide the directors with an independence declaration in relation to the review of the half year financial report. This independence declaration forms part of the Directors' Report and is included on page 6.

Signed in accordance with a resolution of the directors.
On behalf of the Directors



Ian Hobson
Director

Perth
22 February 2007

Auditor's Independence Declaration to the Directors of GSF Corporation Limited

In relation to our review of the financial report of GSF Corporation Limited for the half-year ended 31 December 2006, 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

Ernst & Young



G Lotter
Partner
22 February 2007

CONSOLIDATED BALANCE SHEET
As at 31 December 2006

	Notes	31 December 2006 \$
Current assets		
Cash and cash equivalents		908,295
Trade and other receivables		8,018
Prepayments		14,586
Total current assets		<u>930,899</u>
Total non-current assets		<u>Nil</u>
Total assets		<u>930,899</u>
Current liabilities		
Trade and other payables		6,971
Total current liabilities		<u>6,971</u>
Total liabilities		<u>6,971</u>
Net assets		<u>923,928</u>
Equity		
Issued capital	3	18,909,488
Option Reserve	3	1,000
Accumulated losses		<u>(17,986,560)</u>
Total equity		<u>923,928</u>

The consolidated balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the half-year ended 31 December 2006

	Issued capital \$	Option Premium Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2006	17,085,313		(14,600,018)	2,485,295
Loss for period			(3,386,542)	(3,386,542)
Total income and expense for the period			(3,386,542)	(3,386,542)
Issued During Year	1,900,000	1,000		1,901,000
Share Issue Costs	(75,825)			(75,825)
Balance at 31 December 2006	18,909,488	1,000	(17,986,560)	923,928

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED CASH FLOW STATEMENT
For the half-year ended 31 December 2006

	31 December 2006
	\$
Cash flows from operating activities	
Receipts from customers	13,080
Payments to suppliers and employees	(190,937)
Interest received	10,977
Payment to settle deed of company arrangement	(750,000)
Interest paid	
Net cash flows (used in) operating activities	(916,880)
Cash flows from financing activities	
Proceeds from issue of share capital	1,900,000
Proceeds from issue of options	1,000
Payment of share issue costs	(75,825)
Net cash flows provided by financing activities	1,825,175
Net Increase / (decrease) in cash and cash equivalents	908,295
Cash and cash equivalents at beginning of the half-year	0
Cash and cash equivalents at end of the half-year	908,295

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2006

1. Basis of preparation of the half-year financial report

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Accounting Standard AASB 134: "Interim Financial Reporting".

Audited financial statements have not been prepared since the 30 June 2005 annual report. Accordingly, no comparative financial information has been prepared in respect of the half year to 31 December 2005 or the year ended 30 June 2005.

It is recommended that this financial report be read in conjunction with the any public announcements made by GSF Corporation Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

As this is the first interim financial report prepared under Australian equivalents to IFRS ("AIFRS"), the accounting policies applied are inconsistent with those applied in the 30 June 2005 annual report as that report was presented under previous Australian GAAP ("AGAAP"). In preparing this report, certain accounting, valuation and consolidation methods applied in the previous AGAAP have been amended to comply with AIFRS. There are no comparative figures to restate to reflect any adjustments. A summary of the significant accounting policies under AIFRS has been included below.

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 consolidated entity as in the full financial report.

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

Accounting Policies

(a) Basis of Consolidation

The consolidated financial statements comprise the financial statements of GSF Corporation Ltd and its subsidiaries as at 31 December each year (the Group).

Subsidiaries are those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

Minority interests not held by the Group are allocated their share of net profit after tax in the income statement and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2006

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (continued)

(b) Income Tax

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and tax losses.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The carrying amount of deferred tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(c) Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. The cost of an item also includes the initial estimate of the costs of dismantling and removing an item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Impairment

The carrying amount of property, plant and equipment is reviewed at each balance date to determine whether there are any objective indicators of impairment that may indicate the carrying values may not be recoverable in whole or in part. Impairment testing is carried out in accordance with Note 1(c).

Where an asset does not generate cash flows that are largely independent it is assigned to a cash generating unit and the recoverable amount test applied to the cash generating unit as a whole.

If the carrying value of the asset is determined to be in excess of its recoverable amount, the asset or cash generating unit is written down to its recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2006

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (continued)

Depreciation and amortisation

Depreciation on plant and equipment is calculated on a straight line basis over expected useful life to the economic entity commencing from the time the asset is held ready for use. The major depreciation rates used for each class of depreciable assets are:

Plant and equipment 20% to 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(d) Recoverable Amount of Assets and Impairment Testing

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The consolidated entity assesses at each reporting date whether any objective indications of impairment are present. Where such an indicator exists, a formal assessment of recoverable amount is then made and where this is in excess of carrying amount, the asset is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset or cash generating unit. In estimating value in use, a pre-tax discount rate is used which reflects the current market assessments of the time value of money and the risks specific to the asset. Any resulting impairment loss is recognised immediately in the income statement.

Non financial assets other than goodwill that suffered impairment are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may be reversed.

(e) Trade or other receivables

Trade receivables are recognised at fair value and subsequently measured at amortised cost, less an allowance for doubtful debts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that the group will not be able to collect the debt.

(f) Contributed Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

(g) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the profit attributable to equity holders of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the half-year ended 31 December 2006

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (continued)

Company, adjusted to exclude any costs of servicing equity (other than dividends), by the weighted number of shares outstanding during the half-year.

Diluted EPS adjusts the figures used in the calculation of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed or known to have been issued in relation to dilutive potential ordinary shares.

(h) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognized in finance costs.

(i) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(j) Revenue

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

- I. Sale of Goods
Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Risks and rewards of ownership are considered passed to the buyer at the time of delivery of the goods to the customer.
- II. Interest Income
Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortization cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

(k) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the half-year ended 31 December 2006

1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT (continued)

(I) Trade and Other Payables

Trades and other payables are carried at amortised cost. These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial period which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

2. Dividends

No dividends have been paid or provided for during the half-year.

3. Issued capital

Ordinary Shares	Company 31 December 2006	\$
Opening balance 1/07/06	15,215,832	17,085,313
Placement Offer	120,000,000	300,000
Share Offer	160,000,000	1,600,000
Closing balance 31/12/06	295,215,832	\$18,985,313

Options	Company 31 December 2006	Option Premium \$
Opening balance 1/07/06	Nil	Nil
Issued during period 40 million exercisable at 1 cent	40,000,000	1,000
Closing balance 31/12/06	40,000,000	\$1,000

4. Segment Information

For the half-year ended 31 December 2006, the Company had one business segment (primary) being the Seafood Wholesale Business and had one geographic segment being in Australia.

5. Events occurring after the balance sheet date

No events have occurred after balance date that impacts the financial statements.

6. Contingent Assets and Liabilities

There are no contingent assets or liabilities

7. Earnings Per Share

(a) Basic Earnings Per Share

The calculation of basic earnings per share for the 6 months ended 31 December 2006 was based on the

loss attributable to ordinary members of \$3,386,542 and the weighted average number of shares on issue during the half-year of 115,650,615.

(b) Diluted Earnings Per Share

As the company has made a loss for the half year ended 31 December 2006, the options on issue have no dilutive effect, therefore dilutive earnings per share is equal to basic earnings per share.

8. Related Party Disclosure

During the six months ended 31 December 2006 salaries, superannuation and fees paid to director related entities for services rendered amounted to \$75,000.

Head office costs for rent, outgoings and office expenses were paid to director related entities during the period ended 31 December 2006 in the amount of \$10,000.

9. Acquisition of Subsidiaries

On 20 December 2006, Ocean Premium Seafood Pty Ltd ("OPS"), was established to conduct the Wholesale Business. The Company holds 51% of the issued capital of OPS and will provide OPS with working capital, certain processing and packaging materials retained by the Capacity following termination of the DOCA and the Company's intellectual property rights, including the right to use its brand, trademark, logo and wholesale trading platform. The Directors have entered into an agreement with Neal Harris and Ocean Seafood Solutions Pty Ltd ("OSS") pursuant to which Harris will manage the Wholesale Business. OSS holds 49% of the issued capital of OPS.

10. Deed of Company Arrangement

The Company was subject to a deed of company arrangement which was effected on 9 October 2006. A payment to the deed administrator to settle the deed of company arrangement of \$750,000 was made during the period and a loss as a result of the terms of the deed of company arrangement was incurred of \$2,485,295.

DIRECTORS' DECLARATION

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity as set out on pages 7 to 16:
 - (i) give a true and fair view of the financial position as at 31 December 2006 and the performance for the half-year ended on that date of the consolidated entity; and
 - (ii) other than the presentation of comparatives, comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) 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 directors.



Ian Hobson
Director

Perth
22 February 2007

To the members of GSF Corporation Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of GSF Corporation Limited and the entities it controlled during the half-year, which comprises the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a summary of significant accounting policies, other selected explanatory notes and the directors' declaration.

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 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 an Interim Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2006 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 and other mandatory financial reporting requirements in Australia. As the auditor of GSF Corporation 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.

Basis for Qualified Conclusion

As disclosed in Note 1, audited financial statements have not been prepared since the 30 June 2005 financial report. Accordingly, no comparative financial information has been prepared in respect of the half-year ended 31 December 2005 or as at 30 June 2006.

Accounting Standard AASB 134 Interim Financial Reporting requires that comparative financial information be disclosed. The Australian Securities and Investments Commission has made an order relieving the Company from the requirement to comply with Part 2M.3 (Financial Reporting) of the Corporations Act 2001 for the financial half-year ended 31 December 2005 and the financial year ended 30 June 2006. Accordingly, for this financial report, the Company has not prepared or presented comparative financial information, including an income statement, statement of changes in equity and cash flow statement for the half-year ended 31 December 2005 or a balance sheet at 30 June 2006. This represents a departure from AASB 134 Interim Financial Reporting.

As the company has not prepared financial information as at 30 June 2006, we have been unable to determine whether the 1 July 2006 opening balances for the half-year ended 31 December 2006 are fairly stated. As these opening balances enter into the determination of the income statement, statement of changes in equity and cash flow statement for the half-year ended 31 December 2006 we are unable to determine whether any adjustment to the statement of income, statement of changes in equity, cash flow statement or related notes may be necessary for the half-year ended 31 December 2006.

Qualified Conclusion

As a result of us being unable to determine whether the opening balances for the half-year ended 31 December 2006 are fairly stated, we are unable to and do not express a conclusion as to whether or not we have become aware of any matters that makes us believe that the consolidated entity's income statement, statement of changes in equity, cash flow statement or related notes for the half-year ended 31 December 2006 do not give a true and fair view in accordance with the Corporations Act 2001, Accounting Standards AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory financial reporting requirements in Australia,

Based on our review, which is not an audit, except for the effects of the departure from Accounting Standard AASB 134 Interim Financial Reporting described in the Basis for Qualified Conclusion paragraphs, we have not become aware of any matter that makes us believe that the interim balance sheet of GSF Corporation Limited and the entities it controlled during the half-year, is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2006; and
 - (ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

Ernst & Young

Ernst & Young



G Lotter
Partner
Perth

22 February 2007