

Carrick Gold Limited

ACN 100 405 954

Half Year Financial Report

For the half-year ended 31 December 2011



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CORPORATE PARTICULARS

Directors	Laurence Freedman (Chairman) John McKinstry (Managing Director) Ross Gillon Robert Schuitema
Company Secretary	Robert Schuitema
Registered Office	Ground Floor, 12 St. Georges Terrace, PERTH, WA 6000, AUSTRALIA,
Corporate Office	Ground Floor, 12 St. Georges Terrace, PERTH, WA 6000, AUSTRALIA,
Mailing Address	GPO Box 2567 Perth WA 6001
Share Registry	Advanced Share Registry Services 150 Stirling Highway Perth WA 6009
Auditor	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000
Solicitor	Jackson McDonald Level 25 140 St George's Terrace Perth WA 6000

DIRECTORS' REPORT

The directors present their report on the consolidated entity consisting of Carrick Gold Limited and the entity it controlled ("the Consolidated Entity") for the half-year ended 31 December 2011.

Directors

The names of directors who held office during the half year and until the date of this report are provided below. Directors were in office for the entire period unless otherwise stated.

Laurence Freedman (Chairman)
John McKinstry (Managing Director) – Appointed 1 September 2011
Ross Gillon
Robert Schuitema

Review of Operations and Exploration Activities

The loss attributable to members of Carrick Gold Limited for the half year ended 31 December 2011 was \$845,081 (2010: \$533,571). No dividends were paid or declared payable during or since the half-year.

The Company's current exploration position and activities are set out in the announcements released to the Australian Securities Exchange and should be read in conjunction with this half-yearly financial report. Some highlights are presented below:

- The company maintained a commitment to a 60,000m drilling program to expand resource base and advance resources to an indicated status.
- In the half year to December 2011, the Company completed 396 RC holes for 42,521m of drilling and 17 diamond drill holes for a total of 543m.
- Two phases of RC and diamond drilling at the Brilliant deposit (Kurnalpi) and one phase of RC drilling at each of Lindsay's and Kalpini were completed.
- Resource modelling and estimation were completed for Lindsay's based on drill data acquired from September quarter exploration program.
- A significant program of down hole gyroscopic surveys was completed on historical RC drill holes at Brilliant was completed to better constrain resource wireframe and to improve quality control on the database.
- Pit optimisation and pit mine design work was commenced for Lindsays.
- Hyvista airborne hyperspectral mapping was undertaken at Kurnalpi to add to the regional exploration database.
- Mining lease applications were lodged for the areas of planned mining operations at Lindsay's, Kalpini and Kurnalpi.
- Low key regional exploration continued at Spargoville, Kundana North, Zulieka Shear and initiated at Kalgoorlie East.

Activities are being directed at enabling Carrick to progress toward developing its LKK Project north-east of Kalgoorlie and achieving first production by the end of 2012. Carrick maintains a strong cash position to fund development of company's three advanced projects and ongoing exploration.

Events Subsequent to Reporting Date

There have been no material items, transactions or events subsequent to 31 December 2011 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 4 and forms part of the Directors' Report for the half-year ended 31 December 2011.

Signed in accordance with a resolution of the Directors.



Robert Schuitema

Director

Dated at Perth this 8th day of March 2012.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Carrick Gold Limited for the half-year ended 31 December 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (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.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall

D J WALL
Partner

Perth, WA
Dated: 8 March 2012

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the half year ended 31 December 2011

	31 December 2011 \$	31 December 2010 \$
Revenues	621,336	603,045
Employment costs	(738,312)	(383,584)
Professional fees and consultants	(183,642)	(180,526)
Director fees	(109,000)	(214,389)
Advertising and promotion costs	(113,972)	(78,704)
Occupancy costs	(70,672)	(93,966)
Listing and registry fees	(24,140)	(36,354)
Depreciation	(114,391)	(16,200)
Other expenses	(112,288)	(132,893)
Loss before income tax	(845,081)	(533,571)
Income tax expense	-	-
LOSS FOR THE PERIOD	(845,081)	(533,571)
Other comprehensive income		
Revaluation of available for sale financial assets	(565,604)	476,004
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	(565,604)	476,004
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(1,410,685)	(57,567)
EARNING PER SHARE		
Basic and diluted loss per share (cents per share)	(0.60)	(0.38)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2011

	Note	31 December 2011 \$	30 June 2011 \$
Assets			
Current Assets			
Cash and cash equivalents		14,254,607	19,174,691
Trade and other receivables		459,625	352,468
Other assets		<u>231,857</u>	<u>177,435</u>
Total Current Assets		<u>14,946,089</u>	<u>19,704,594</u>
Non-Current Assets			
Trade and other receivables		330,129	313,445
Property, plant and equipment		882,618	838,313
Exploration, evaluation and development expenditure	2	46,678,621	41,620,781
Available for sale investments	3	<u>330,402</u>	<u>896,006</u>
Total Non-Current Assets		<u>48,161,770</u>	<u>43,668,545</u>
Total Assets		<u>63,107,859</u>	<u>63,373,139</u>
Liabilities			
Current Liabilities			
Trade and other payables		<u>1,602,741</u>	<u>457,336</u>
Total Current Liabilities		<u>1,602,741</u>	<u>457,336</u>
Total Liabilities		<u>1,602,741</u>	<u>457,336</u>
Net Assets		<u>61,505,118</u>	<u>62,915,803</u>
Equity			
Issued capital	4	67,880,798	67,880,798
Reserves		2,976,782	3,542,386
Accumulated losses		<u>(9,352,462)</u>	<u>(8,507,381)</u>
Total Equity		<u>61,505,118</u>	<u>62,915,803</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the half year ended 31 December 2011

	Issued Capital	Share Based Payment Reserve	Financial Asset Reserve	Accumulated Losses	Total equity
	\$	\$	\$	\$	\$
At 1 July 2010	67,537,159	2,878,781	439,603	(6,728,503)	64,127,040
Loss for the period	-	-	-	(533,571)	(533,571)
Revaluation of available for sale investments	-	-	476,004	-	476,004
Total comprehensive income for the period	-	-	476,004	(533,571)	(57,567)
At 31 December 2010	67,537,159	2,878,781	915,607	(7,262,074)	64,069,473
At 1 July 2011	67,880,798	2,878,781	663,605	(8,507,381)	62,915,803
Loss for the period	-	-	-	(845,081)	(845,081)
Revaluation of available for sale investments	-	-	(565,604)	-	(565,604)
Total comprehensive income for the period	-	-	(565,604)	(845,081)	(1,410,685)
At 31 December 2011	67,880,798	2,878,781	98,001	(9,352,462)	61,505,118

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the half year ended 31 December 2011

	31 December 2011 \$	31 December 2010 \$
Cash flows from Operating Activities		
Payments to suppliers and employees	(1,405,653)	(1,509,094)
Interest received	537,481	431,756
Net cash (used in) operating activities	<u>(868,172)</u>	<u>(1,077,338)</u>
Cash flows from Investing Activities		
Payments for plant and equipment	(98,695)	(37,277)
Payments for mineral exploration activities	<u>(3,953,216)</u>	<u>(854,111)</u>
Net cash (used in) investing activities	<u>(4,051,911)</u>	<u>(891,388)</u>
Cash flows from Financing Activities	<u>-</u>	<u>-</u>
Net decrease in cash held	(4,920,083)	(1,968,726)
Cash and cash equivalent at the beginning of the half-year	<u>19,174,691</u>	<u>22,906,825</u>
Cash and cash equivalent at the end of the half-year	<u>14,254,608</u>	<u>20,938,099</u>

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the half year ended 31 December 2011

1. Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2011 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Carrick Gold Limited and its controlled entities (consolidated entity). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the consolidated entity. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the consolidated entity for the year ended 30 June 2011, together with any public announcements made during the following half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, except in relation to the matters discussed below.

New and Revised Accounting Standards

In the current year, Carrick Gold Limited has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the entity's accounting policies.

2. Exploration and Evaluation Expenditure

	Consolidated	
	31 December 2011	30 June 2011
	\$	\$
At cost		
Balance at beginning of the period	41,260,781	40,493,575
Exploration expenditure incurred	5,057,840	1,127,206
Balance at end of the period	46,678,621	41,260,781

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

3. Available for Sale Investments

Shares in listed securities	330,402	896,006
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4. Issued Capital	31 December 2011 \$	30 June 2011 \$
Ordinary Shares		
Issued and fully paid	67,880,798	67,880,798
<hr/>		
Movement in fully paid ordinary shares:	No. of Shares	\$
At 1 July 2011	139,700,000	67,880,798
At 31 December 2011	139,700,000	67,880,798

Options

Movement in options on issue:	No. of Options
At 1 July 2011	7,500,000
At 31 December 2011	7,500,000

5. Segment Information

The directors have considered the requirements of *AASB 8 Operating Segments* and the internal reports that are reviewed by the Board in allocating resources and have concluded that at this time there are no separately identifiable segments.

The consolidated entity operates in only one segment being mineral exploration in Australia.

6. Events Subsequent to Reporting Date

There have been no material items, transactions or events subsequent to 31 December 2011 which, although they do not relate to conditions existing at that date, have not been dealt with in this report and which would cause reliance on the information shown in this report to be misleading.

7. Contingent Liabilities

At 31 December 2011, performance bonds issued by the consolidated entity's banker in favour of the Minister for State Development were \$77,210 (2010: \$119,962).

8. Dividends

No dividends were paid or declared payable during or since the half-year.

9. Related party transactions

As disclosed in the annual financial statements of the company for the year ended 30 June 2011, the company issued unsecured interest free-loans to two executives in order to fund the purchase of the company's shares by those executives. The company confirms that these loans are non-recourse against the borrower.

DIRECTORS' DECLARATION

The Directors of Carrick Gold Limited declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001, including :
 - (a) complying with Accounting Standard AASB 134 Interim Financial Reporting; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Robert Schuitema
Director

Dated at Perth this 8th day of March 2012

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
CARRICK GOLD LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Carrick Gold Limited which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the 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 of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Carrick Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Carrick Gold Limited, would be in the same terms if given to the directors as at the time of this auditor's review 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 Carrick Gold Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D J Wall

Perth, WA
Dated: 8 March 2012

D J WALL
Partner