

# Carrick Gold Limited

ACN 100 405 954

## Half Year Financial Report

For the half-year ended 31 December 2010



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## CORPORATE PARTICULARS

<b>Directors</b>	Laurence Freedman (Chairman) Ross Gillon Brian Martin Robert Schuitema
<b>Registered Office</b>	Ground Floor, 12 St. Georges Terrace, PERTH, WA, AUSTRALIA, 6000
<b>Corporate Office</b>	Ground Floor, 12 St. Georges Terrace, PERTH, WA, AUSTRALIA, 6000
<b>Mailing Address</b>	GPO Box 2567 Perth WA 6001
<b>Share Registry</b>	Advanced Share Registry Services 150 Stirling Highway Perth WA 6009
<b>Auditor</b>	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000
<b>Solicitor</b>	Lawton Gillon Level 11 16 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 2010.

**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)	Appointed 18 August 2010
Ian Burston	Resigned 31 August 2010
Elaine Carr	Resigned 27 October 2010
Ross Gillon	
Brian Martin	
Robert Schuitema	Appointed 9 September 2010

**Review of Operations and Exploration Activities**

The loss attributable to members of Carrick Gold Limited for the half year ended 31 December 2010 was \$533,571 (2009: \$635,627). 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:

- Review of company's three advanced projects - Lindsay's, Brilliant, and Kalpini gold projects with view to having at least one project in production within FY2011-12.
- New Chairman to the Board – Mr Laurence Freedman AM
- New Chief Executive Officer appointed – Mr John McKinstry. Board has given Mr McKinstry a mandate to build a strong technical team to fully develop company's three advanced projects and ongoing exploration
- 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 2010 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 12 and forms part of the Directors' Report for the half-year ended 31 December 2010.

Signed in accordance with a resolution of the Directors.



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**Robert Schuitema**  
Director

Dated at Sydney this 28<sup>th</sup> day of February 2011.

**STATEMENT OF COMPREHENSIVE INCOME**  
For the half year ended 31 December 2010

	<b>Consolidated</b>	
	<b>31 December 2010</b>	<b>31 December 2009</b>
	<b>\$</b>	<b>\$</b>
Revenues	603,045	115,007
Occupancy costs	(93,966)	(104,004)
Director and consulting fees	(214,389)	(160,000)
Employment costs	(383,584)	(257,463)
Other expenses	(444,677)	(229,167)
<b>Loss before income tax</b>	(533,571)	(635,627)
Income tax expense	-	-
<b>LOSS FOR THE PERIOD</b>	<u>(533,571)</u>	<u>(635,627)</u>
<b>Other comprehensive income</b>		
Revaluation of available for sale financial assets	476,004	106,400
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>476,004</u>	<u>106,400</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>(57,567)</u>	<u>(529,227)</u>
<b>EARNING PER SHARE</b>		
Basic and diluted loss per share (cents per share)	(0.38)	(0.53)

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

**STATEMENT OF FINANCIAL POSITION**  
As at 31 December 2010

		Consolidated	
	Note	31 December 2010	30 June 2010
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		20,938,099	22,906,825
Trade and other receivables		386,694	335,336
Other assets		146,062	144,919
<b>Total Current Assets</b>		<u>21,470,855</u>	<u>23,387,080</u>
<b>Non-Current Assets</b>			
Property, plant and equipment		512,918	491,841
Exploration, evaluation and development expenditure	2	41,347,686	40,493,575
Available for sale investments	3	1,148,008	672,004
<b>Total Non-Current Assets</b>		<u>43,008,612</u>	<u>41,657,420</u>
<b>Total Assets</b>		<u>64,419,467</u>	<u>65,044,500</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		409,994	917,460
<b>Total Current Liabilities</b>		<u>409,994</u>	<u>917,460</u>
<b>Total Liabilities</b>		<u>409,994</u>	<u>917,460</u>
<b>Net Assets</b>		<u>64,069,473</u>	<u>64,127,040</u>
<b>Equity</b>			
Issued capital	4	67,537,159	67,537,159
Reserves		3,794,388	3,318,384
Accumulated losses		(7,262,074)	(6,728,503)
<b>Total Equity</b>		<u>64,069,473</u>	<u>64,127,040</u>

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

**STATEMENT OF CHANGES IN EQUITY**  
For the half year ended 31 December 2010

	Issued Capital	Share Based Payment Reserve	Financial Asset Reserve	Accumulated Losses	Total equity
	\$	\$	\$	\$	\$
<b>At 1 July 2009</b>	50,880,416	2,364,172	103,600	(5,352,117)	47,996,071
Loss for the period	-	-	-	(635,627)	(635,627)
Revaluation of available for sale investments	-	-	106,400	-	106,400
Total comprehensive income for the period	-	-	106,400	(635,627)	(529,227)
<b>At 31 December 2009</b>	50,880,416	2,364,172	210,000	(5,987,744)	47,466,844
<b>At 1 July 2010</b>	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)
<b>At 31 December 2010</b>	67,537,159	2,878,781	915,607	(7,262,074)	64,069,473

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

**STATEMENT OF CASH FLOWS**  
For the half year ended 31 December 2010

	<b>Consolidated</b>	
	<b>31 December 2010</b>	<b>31 December 2009</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from Operating Activities</b>		
Payments to suppliers and employees	(1,509,094)	(658,312)
Interest received	431,756	115,007
Net cash (used in) operating activities	<u>(1,077,338)</u>	<u>(543,305)</u>
<b>Cash flows from Investing Activities</b>		
Payments for plant and equipment	(37,277)	(61,175)
Payments for mineral exploration and mining activities	(854,111)	(1,769,792)
Net cash provided by/(used in) investing activities	<u>(891,388)</u>	<u>(1,830,967)</u>
<b>Cash flows from Financing Activities</b>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash held	(1,968,726)	(2,374,272)
Cash and cash equivalent at the beginning of the half-year	<u>22,906,825</u>	<u>10,251,064</u>
<b>Cash and cash equivalent at the end of the half-year</b>	<u>20,938,099</u>	<u>7,876,792</u>

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



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the half year ended 31 December 2010**

**1. Basis of Preparation**

This financial report is a general purpose financial report for the interim half-year reporting period ended 31 December 2010 which has been prepared in accordance with Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting.

This interim report does not include all of the information required for a full annual report and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2010 and any public announcements made by Carrick Gold Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

This interim financial report was approved by the Board of Directors on 28 February 2011.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**2. Exploration and Evaluation Expenditure**

	<b>Consolidated</b>	
	<b>31 December 2010</b>	<b>30 June 2010</b>
<b>At cost</b>		
Balance at beginning of the years	40,493,575	37,083,630
Exploration expenditure incurred	854,111	3,409,945
Total deferred exploration and evaluation expenditure	41,347,686	40,493,575

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	1,148,008	672,004
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4. Issued Capital	31 December 2010 \$	30 June 2010 \$
<b>Ordinary Shares</b>		
Issued and fully paid	67,537,159	67,537,159
Movement in fully paid ordinary shares:	<b>No. of Shares</b>	<b>\$</b>
At 1 July 2010	139,000,000	67,537,159
At 31 December 2010	139,000,000	67,537,159
<b>Options</b>		
Movement in options on issue:	<b>No. of Options</b>	
At 1 July 2010	7,500,000	
At 31 December 2010	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 2010 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

Performance bond issued by the consolidated entity's banker in favour of the Minister for State Development for \$119,962.

#### 8. Dividends

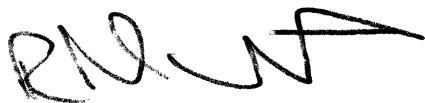
No dividends were paid or declared payable during or since the half-year.

**DIRECTORS' DECLARATION**

The Directors of Carrick Gold Limited declare that:

1. The financial statements and notes, as set out on pages 3 to 8 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 2010 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.



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**Robert Schuitema**  
Director

Dated at Sydney this 28<sup>th</sup> day of February 2011

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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 2010, 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 2010 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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Perth, Sydney, Melbourne,  
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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 2010 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  
Chartered Accountants



D J WALL  
Partner

Perth, WA  
Dated: 28 February 2011

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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 2010, 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*

Perth, WA  
Dated: 28 February 2011

D J WALL  
Partner