

# Appendix 4D

## Half Yearly Report

<b>Name of Economic Entity</b>	ICSGLOBAL LIMITED
<b>ABN</b>	72 073 695 584
<b>Half Year Ended</b>	31 DECEMBER 2005
<b>Previous Corresponding Reporting Period</b>	31 DECEMBER 2004

### Results for Announcement to the Market

	\$	Percentage increase / (decrease) over previous corresponding period
<b>Revenue from ordinary activities</b>	464,719	42.6%
<b>Profit / (loss) from ordinary activities after tax attributable to members</b>	(1,290,317)	33.6%
<b>Net profit / (loss) for the period attributable to members</b>	(1,290,317)	33.6%

The half-yearly report is to be read in conjunction with the most recent annual financial report.

### Control Gained Over Entities Having Material Effect

Name of economic entity (or group of entities)	Not applicable
Date control gained	
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	
Profit / (loss) from ordinary activities of the controlled economic entity (or group of entities) for the whole of the previous corresponding period	

### Loss of Control Gained Over Entities Having Material Effect

Name of economic entity (or group of entities)	Not applicable
Date control lost	
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	
Profit / (loss) from ordinary activities of the controlled economic entity (or group of entities) while controlled for the whole of the previous corresponding period	

### Details of Associates and Joint Venture Entities


Name of Economic Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
Not Applicable				
<b>Aggregate Share of Net Profits</b>				

### Audit/Review Status

<b>This report is based on accounts to which one of the following applies:</b> (Tick one)			
The accounts have been audited		The accounts have been subject to review	✓
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	
<b>If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:</b>			
Not applicable			
<b>If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:</b>			
Not applicable			

#### Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

<b>Signed By (Director/Company Secretary)</b>	
<b>Print Name</b>	Tim Murray
<b>Date</b>	16 March 2006

## DIRECTORS' REPORT

Your directors submit the financial report of the economic entity ("**Economic Entity**") for the half-year ended 31 December 2005.

### Directors

The directors have all been in office since the start of the financial year to the date of this report. The names of directors are:

- Mr Dean Antony Pritchard (Chairman)
- Mr Timothy John Murray (Managing Director)
- Mr Geoffrey Ernest Lambert

### Adoption of Australian Equivalents to IFRS

This interim financial report has been prepared under Australian Equivalents to IFRS. A reconciliation between previous AGAAP and Australian equivalents to IFRS has been included in Note 2 of this report.

### Review and Results of Operations

ICSGlobal's revenue for the half year to 31 December 2005 increased by about 43% over the corresponding period the previous year, to \$465,000. This was lower than expected as some revenue producing opportunities for which there were strong indications would come on line during 2005, slipped into 2006.

The hiring of three additional expert-level technical staff, including recruitment fees and internal restructuring costs, was principally responsible for the \$332,000 increase in our net loss for the half year to about \$1.3m. The company felt it necessary to recruit these three new staff – an international infrastructure and hosting expert; an Internet global solutions architect; and an Internet global application architect - to underpin the local and international rollout of the THELMA application and infrastructure.

The addition of these three new staff, together with average annual salary increases of 5% - 6%, means ICSGlobal's cost base, 70% of which is staff salaries, is now running at approximately \$4m per annum.

### Subsequent Events

Subsequent to 31 December 2005, the following significant event occurred:

- On 16 March 2006, the economic entity announced that it had made a placement of 4,896,191 shares at an issue price of \$0.28, raising \$1.37 million.

### Lead Auditor's Independence Declaration

The Lead Auditor's Independence Declaration required by 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 2005.

The report is signed in accordance with a resolution of the Board of Directors.



**Tim Murray**  
Managing Director

Dated: 16 March 2006

**Auditor's Independence Declaration****To the Directors of ICSGlobal Limited:**

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2005, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



**PKF**  
Chartered Accountants



**Arthur Milner**  
Partner

**Sydney, 16 March 2006**

**ICSGlobal Limited**  
**Consolidated Income Statement**  
**For the half year ended 31 December 2005**

	Note	Consolidated	
		31 Dec 2005	31 Dec 2004
		\$	\$
Revenues from ordinary activities	4	464,719	325,933
Expenses from ordinary activities	5	2,075,224	1,647,151
<b>Loss from ordinary activities before income tax</b>		(1,610,505)	(1,321,218)
Income tax benefit relating to ordinary activities		(320,188)	(355,321)
<b>Loss from ordinary activities after income tax</b>		(1,290,317)	(965,897)
<b>Total changes in equity other than those resulting from transactions with owners as owners</b>		(1,290,317)	(965,897)
Basic earnings per share (cents per share)		(1.6)	(1.2)
Dividends paid per share		Nil	Nil

The Income Statement is to be read in conjunction with the attached notes.

**ICSGlobal Limited**  
**Consolidated Balance Sheet**  
**As at 31 December 2005**

	Note	Consolidated	
		31 Dec 2005	30 June 2005
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		898,438	741,105
Trade and other receivables		141,882	121,085
R&D tax concession receivable		320,188	-
Other assets		78,738	99,802
<b>TOTAL CURRENT ASSETS</b>		<b>1,439,246</b>	<b>961,992</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets		140,805	116,602
Property, plant and equipment		136,176	178,534
<b>TOTAL NON-CURRENT ASSETS</b>		<b>276,981</b>	<b>295,136</b>
<b>TOTAL ASSETS</b>		<b>1,716,227</b>	<b>1,257,128</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		225,355	301,319
Short term provisions		110,507	126,256
<b>TOTAL CURRENT LIABILITIES</b>		<b>335,862</b>	<b>427,575</b>
<b>NON-CURRENT LIABILITIES</b>			
Payables		19,446	25,929
Long term provisions		228,771	148,974
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>248,217</b>	<b>174,903</b>
<b>TOTAL LIABILITIES</b>		<b>584,079</b>	<b>602,478</b>
<b>NET ASSETS</b>		<b>1,132,148</b>	<b>654,650</b>
<b>EQUITY</b>			
Issued capital	<b>3</b>	20,462,293	18,724,760
Accumulated losses		(19,532,147)	(18,241,830)
Options expense reserve		202,002	171,720
<b>TOTAL EQUITY</b>		<b>1,132,148</b>	<b>654,650</b>
Net tangible asset backing per share (cents per share)		0.01	0.03

The Balance Sheet is to be read in conjunction with the attached notes.

**ICSGlobal Limited**  
**Consolidated Cash Flow Statement**  
**For the half year ended 31 December 2005**

	<b>Consolidated</b>	
	<b>31 Dec 2005</b>	<b>31 Dec 2004</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	437,924	289,359
Payments to suppliers and employees	(2,042,932)	(1,569,551)
Interest received	41,579	49,946
<b>Net operating cash flows</b>	<b>(1,563,429)</b>	<b>(1,230,246)</b>
<b>Cash flows from investing activities</b>		
Payments for purchase of property, plant and equipment	(16,771)	(4,630)
<b>Net investing cash flows</b>	<b>(16,771)</b>	<b>(4,630)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	1,806,667	2,273,916
Cost of capital raising	(69,134)	(122,996)
<b>Net financing cash flows</b>	<b>1,737,533</b>	<b>2,150,920</b>
<b>Net increase in cash</b>	<b>157,333</b>	<b>916,044</b>
Cash at beginning of period	741,105	902,339
<b>Cash at end of period</b>	<b>898,438</b>	<b>1,818,383</b>

The Statement of Cash Flows is to be read in conjunction with the attached notes.

**ICSGlobal Limited**  
**Consolidated Statement of Changes in Equity**  
**For the half year ended 31 December 2005**

	Consolidated			Total Equity
	Issued Capital	Retained Earnings	Other Reserves	
	\$	\$	\$	\$
<b>Balance as at 1 July 2004</b>	16,566,290	(15,679,414)	88,799	975,675
Loss for the period	-	(965,897)	-	(965,897)
Issue of new shares	2,150,920	-	-	2,150,920
Cost of share based payments	-	-	41,469	41,469
<b>Balance as at 31 December 2004</b>	18,717,210	(16,645,311)	130,268	2,202,167

	Consolidated			Total Equity
	Issued Capital	Retained Earnings	Other Reserves	
	\$	\$	\$	\$
<b>Balance as at 1 July 2005</b>	18,724,760	(18,241,830)	171,720	654,650
Loss for the period	-	(1,290,317)	-	(1,290,317)
Issue of new shares	1,737,533	-	-	1,737,533
Cost of share based payments	-	-	30,282	30,282
<b>Balance as at 31 December 2005</b>	20,462,293	(19,532,147)	202,002	1,132,148

## Notes to the Half-Year Financial Statements For the Half Year Ended 31 December 2005

### NOTE 1. BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated economic entity as the full financial report.

The half-year financial report should be read in conjunction with the annual Financial Report of ICSGlobal Limited as at 30 June 2005, which was prepared based on Australian Accounting Standards applicable before 1 January 2005 ('AGAAP').

It is also recommended that the half-year financial report be considered together with any public announcements made by ICSGlobal Limited and its controlled entities during the half-year ended 31 December 2005 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

#### 1(a) Basis of accounting

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half-year financial report has been prepared on a historical cost basis.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

#### 1(b) Statement of compliance

The half-year financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the half-year financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

This is the first half-year financial report prepared based on AIFRS and comparatives for the half-year ended 31 December 2004 and full-year ended 30 June 2005 have been restated accordingly. A summary of the significant accounting policies of the economic entity under AIFRS are disclosed in Note 1(c) below.

Reconciliations of:

- AIFRS equity as at 1 July 2004, 31 December 2004 and 30 June 2005; and
- AIFRS profit for the half-year 31 December 2004 and full year 30 June 2005,

to the balances reported in the 31 December 2004 half-year report and 30 June 2005 full-year financial report prepared under AGAAP are detailed in Note 2.

#### 1(c) Summary of significant accounting policies

##### ***Basis of consolidation***

The consolidated financial statements comprise the financial statements of ICSGlobal Limited and its subsidiaries ("**the Economic Entity**").

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

**Property, plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

The depreciable amount of all fixed assets is depreciated, using the straight-line method, over their useful lives to the economic entity commencing from the time the asset is held ready for use.

The annual depreciation rates used for each class of assets are:

<b>Class of Fixed Asset</b>	<b>Annual Depreciation Rate</b>
Leasehold Improvements	33%
Computer Hardware and Software	27%
Furniture and Fittings	33%

At each reporting date, the economic entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the economic entity makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

**Research and Development**

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Any expenditure carried forward is amortised over the period of expected future sales from the related project. The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, or more frequently when an indicator of impairment arises during the reporting year indicating that the carrying value may not be recoverable.

**Trade receivables and other assets**

Trade receivables, which generally have 14 – 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Revenue from overseas customers is billed and receivable in Australian Dollars.

**Cash and cash equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**Provisions**

Provisions are recognised when the economic entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the economic entity expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Employee Entitlements**

The following liabilities arising in respect of employee entitlements are measured at their nominal amounts:

- Wages and salaries and annual leave regardless whether they are expected to be settled within twelve months of balance date.
- Other employee entitlements, which are expected to be settled within twelve months of balance date.

All other employee entitlements, including long service leave, are measured at the present value of the estimated future cash outflows in respect of services provided up to balance date. Liabilities are determined after taking into consideration estimated future increase in wages and salaries and past experience regarding staff departures. Related on-costs are included in the calculation of the liability.

**Share Based Payments**

The economic entity engages in the practice of allocating to its employee's options as part of their remuneration packages. The economic entity values employee options at the date of grant using the Black Scholes methodology. This amount is expensed in the income statement. Where the grant date and the vesting date are different, the total expenditure calculated is allocated between the two dates taking into account the terms and conditions attached to the instruments as well as management's assumptions about probabilities of payments and compliance with, and attainment of the terms and conditions.

**Income Tax**

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

- except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

- except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet 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.

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the income statement over the expected useful life of the relevant asset by equal annual instalments.

### **Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (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 an asset or as part of an item of the expense. Receivable and payables in the balance sheet are shown inclusive of GST.

### **Revenue Recognition**

#### a) THELMA Subscription Revenue

THELMA users are charged either an annual or monthly subscription fee. This fee is non refundable. Subscription fees are billed in accordance with the terms and conditions of the THELMA User Agreement signed by each customer. THELMA subscription fees are recognised as revenue when billed.

#### b) THELMA Transaction Revenue

THELMA transaction revenue is generated by customers using the THELMA service. Transaction fees are recognised as revenue in the month that the transaction occurs.

#### c) THELMA Implementation and Health Consulting Services

This work is generally performed on a time and materials basis and is therefore recognised as revenue in the month that the work is performed.

Where work is performed on a fixed price basis and the outcome of the contract to provide services can be estimated reliably, revenue is recognised when the contracted obligations of the company have been performed or by reference to the percentage of the services performed, which ever is appropriate to the particular type of contract.

#### d) Interest revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

#### e) International Revenue

Revenue from overseas customers is billed and receivable in Australian Dollars.

**NOTE 2: IMPACT OF ADOPTION OF AIFRS**

The impacts of adopting AIFRS on the total equity and profit after tax as reported under Australian Accounting Standards applicable before 1 January 2005 ('AGAAP') are illustrated below.

**(i) Reconciliation of total equity as presented under AGAAP to that under AIFRS**

Total Equity under AGAAP	CONSOLIDATED		
	30 Jun 2005	31 Dec 2004	1 Jul 2004
	654,650	2,202,167	975,675
<i>Adjustments to equity:</i>			
Increase in Option Expense Reserve	82,921	41,469	88,799
Increase in loss resulting in transition to AIFRS	(82,921)	(41,469)	(88,799)
Total equity under AIFRS	654,650	2,202,167	975,675

**(ii) Reconciliation of profit after tax under AGAAP to that under AIFRS**

	CONSOLIDATED	
	Year Ended 30 Jun 2005	Half Year Ended 31 Dec 2004
Profit after tax as previously reported	(2,479,495)	(924,428)
Recognition of share-based payment expense	(82,921)	(41,469)
Loss after tax under AIFRS	(2,562,416)	(965,897)

Under AASB 2 Share Based Payments, the economic entity is required to determine the fair value of performance rights issued to employees as remuneration and recognise an expense in the income statement. This standard also extends to options and other forms of equity based remuneration. It applies to all share based payments issued after 7 November 2002 which have not vested as at 1 January 2005. The economic entity has undertaken a valuation of performance rights granted using the Black Scholes Methodology.

**(iii) Reconciliation of cash flow under AGAAP to that under AIFRS**

There were no material adjustments required to the cash flow statement as a result of the transition to AIFRS.

**NOTE 3: ISSUED CAPITAL**

<b>Issued Capital</b>	<b>31 December 2005</b>	<b>30 June 2005</b>
	<b>\$</b>	<b>\$</b>
Ordinary Shares - Issued and Fully Paid	20,462,293	18,724,760

<b>Movements In Ordinary Shares On Issue</b>	<b>Number of Shares</b>	<b>\$</b>
Balance as at 1 July 2005	77,533,178	18,724,760
Shares placed on 12 July 2005 at \$0.30 each	5,783,334	1,735,000
Employee Options exercised on 8 August 2005 at \$0.25 each	250,000	62,500
Employee Options exercised on 28 Nov 2005 at \$0.25 each	36,668	9,167
Capital raising expenses	-	(69,134)
Balance as at 31 December 2005	83,603,180	20,462,293

**NOTE 4: REVENUE FROM ORDINARY ACTIVITIES**

	<b>Consolidated</b>	
	<b>31 Dec 2005</b>	<b>31 Dec 2004</b>
	<b>\$</b>	<b>\$</b>
Revenue from sales or services	423,140	275,987
Interest revenue	41,579	49,946
Total revenue	464,719	325,933

**NOTE 5: EXPENSES FROM ORDINARY ACTIVITIES**

	Consolidated	
	31 Dec 2005	31 Dec 2004
	\$	\$
Expenses from ordinary activities is comprised as follows:		
External Contractors	84,812	56,261
Salary and Wages	1,219,612	948,468
Superannuation	110,891	81,197
Payroll Tax	58,019	44,296
Staff Recruitment Costs	45,174	120
Computer Costs	95,397	74,930
Legal Fees	11,109	10,906
Insurance	38,164	30,802
Communications	25,184	11,896
Travel	47,448	45,815
Marketing	54,591	39,684
General Operating Costs	70,205	83,130
Lease Rental Expense	125,207	104,113
Depreciation of Computer Equipment	59,129	74,064
Employee Options Expense	30,282	41,469
Total expenses from ordinary activities	2,075,224	1,647,151

**NOTE 6: SEGMENT INFORMATION**

ICSGlobal's core business is the ownership and operation of THELMA and the provision of services to the health industry from Australia.

**NOTE 7: CONTINGENT LIABILITIES**

There are no contingent liabilities.

**NOTE 8: SUBSEQUENT EVENTS**

Subsequent to 31 December 2005, the following significant event occurred:

- On 16 March 2006, the economic entity announced that it had made a placement of 4,896,191 shares at an issue price of \$0.28, raising \$1.37 million.

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of ICSGlobal Limited, I state that in the opinion of the directors:

- a) the financial statements and notes of the consolidated economic entity:
  - (i) give a true and fair view of the financial position as at 31 December 2005 and the performance for the half-year ended on that date of the consolidated economic entity; and
  - (ii) 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.

On behalf of the Board



Tim Murray  
Managing Director

Dated: 16 March 2006

**Auditor's Independence Declaration****To the Directors of ICSGlobal Limited:**

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2005, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.



**PKF**  
Chartered Accountants



**Arthur Milner**  
Partner

**Sydney, 16 March 2006**