



**D'AGUILAR GOLD LTD  
AND CONTROLLED ENTITIES**

**INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR  
ENDED 31 DECEMBER 2006**

## CONTENTS

Corporate Information	3
Director's Report	4
Auditors' Independence Declaration	7
Condensed Income Statement for the half-year ended 31 December 2006	9
Condensed Balance Sheet as at 31 December 2006	10
Condensed Cash Flow Statement for the half-year ended 31 December 2006	11
Condensed Statement of Changes in Equity for the half-year ended 31 December 2006	12
Notes to the Financial Statements for the half-year ended 31 December 2006	13
Directors' Declaration	16
Independent Review Report	17

## Corporate Information

### DIRECTORS

Christopher Rawlings (Chairman)  
Nicholas Mather (Managing Director)  
Ian Levy  
Brian Moller  
Vincent Mascolo

### COMPANY SECRETARY

Duncan Cornish

### REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

D'Aguilar Gold Ltd  
Level 5  
60 Edward Street  
Brisbane QLD 4000  
Phone: + 61 7 3303 0680  
Fax: +61 7 3303 0681

### SOLICITORS

Hopgood Ganim  
Level 8, Waterfront Place  
1 Eagle Street  
Brisbane QLD 4000

### SHARE REGISTER

Link Market Services Limited  
Level 22, 300 Queen Street  
Brisbane QLD 4000  
Phone: +61 7 3228 4000

### AUDITORS

BDO Kendalls  
Level 18, 300 Queen Street  
Brisbane QLD 4000

### COUNTRY OF INCORPORATION

Australia

### STOCK EXCHANGE LISTING

ASX Limited (Australian Securities Exchange)  
ASX Code: DGR

### INTERNET ADDRESS

[www.daquilar.com.au](http://www.daquilar.com.au)

### AUSTRALIAN BUSINESS NUMBER

ABN 67 052 354 837

## Directors' Report

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2006.

### DIRECTORS

The names of persons who held office during or since the end of the half-year:

Christopher Rawlings	(Non-Executive Chairman)
Nicholas Mather	(Executive Director)
Ian Levy	(Non-Executive Director)
Brian Moller	(Non-Executive Director)
Vincent Mascolo	(Non-Executive Director)

### REVIEW OF OPERATIONS

Set out below are the Company's key activities during the half-year ended 31 December 2006.

D'Aguilar's business is resource-project generation and discovery across a range of commodities, including copper, gold, nickel, molybdenum and uranium. D'Aguilar focuses on delivering value through discovery of ore bodies by the application of innovative exploration and reassessment strategies to existing pre-development projects and to new greenfields areas.

D'Aguilar is generating and developing several independently funded and managed resource companies in order to progress each of these projects.

Solomon Gold plc was the first project floated by D'Aguilar in February 2006. It was listed on the AIM board of the London Stock Exchange. Solomon Gold has recently confirmed the discovery of a significant copper gold porphyry system at Sutakiki.

#### Exploration

##### *Mt Cobalt - Black Snake Nickel Project*

At the Black Snake Project in southern Queensland, twenty two (22) holes were drilled to test the gap between Ridleys and the Jackson North nickel mineralised (resource) areas, and concurrently to test/infill the Jackson North area to close off open ended drill holes from the earlier program.

A deep RC hole was also drilled to test the EM ground geophysical target (for Ni sulphides).

Strong oxidation and possible nickeliferous banded clays have been encountered in all 22 holes, with some of the softer holes penetrating to 39m.

At Ridleys 2 x 120m inclined RC holes were drilled in late October to test the moderate to weak modelled west dipping EM anomalies (for Ni sulphides).

During the half-year the Company completed a drilling program over six reverse circulation percussion holes for 660 metres on the 100 % owned Mt Cobalt Nickel project, at Kilkivan near Gympie in south east Queensland.

The drill holes intersected encouraging broad zones of nickel mineralisation above 0.3% Ni in five of the six drill holes, with minor cobalt and chrome credits. The four best mineralised holes all terminated in mineralization. The six holes tested an area 200 metres wide by 250 metres long to a depth of 115 metres. The best intersection returned 78 metres from surface at 0.54% nickel. The nickel mineralisation is open in all directions, including to depths below 115 metres.

The mineralised zone is also broadly coincident with a strong aeromagnetic high. Three dimensional modelling of the available magnetic data indicates a strongly magnetic source at a depth of approximately 350 metres below surface and directly under the strongest core of the surface nickel anomaly. D'Aguilar has now commenced a drill program to 350 metres depth to test for extensions of the nickel mineralisation encountered in the top 115 metres.

### *Anduramba Molybdenum Project*

During the half-year D'Aguilar completed a 2,333 metre drilling program including 363 metres of coring on its wholly owned Anduramba Molybdenum project, 150km west north-west of Brisbane. D'Aguilar has defined an inferred resource of 14.5 mt @ 0.07 g/t molybdenum as molybdenite (a simply recoverable molybdenum sulphide mineral) at Anduramba.

The recent drilling program was designed to validate the previous drill data, define extensions to the known mineralisation and investigate the defined resource for a high grade core, and retrieve samples for metallurgical testing, crushing and grinding tests. This information is required for the input to a feasibility study of an open pit molybdenum mine at Anduramba. D'Aguilar is on schedule to complete that study by the end of April 2007.

The drilling program was successful in the definition of an unexpected silver credit in the resource. Silver values were discovered in many of the drill samples and silver credits have not previously been factored into an assessment of this project. The best silver mineralisation results included 43 vertical metres @ 27ppm from 28-71 metres in Hole RCAND003. This entire hole averages 19ppm silver from surface to the end of the hole @ 130 vertical metres, representing an additional \$15 per tonne for any resource defined with this silver content.

D'Aguilar has also commenced a metallurgical testing program to determine the optimal recovery conditions for flotation of the sulphide ore, and to evaluate options for the recovery of molybdenum oxide as technical grade molybdenum tri-oxide.

### *Mt Isa Metals Pty Ltd*

During the half D'Aguilar announced the formation of D'Aguilar Minerals Pty Ltd (now renamed Mt Isa Metals Pty Ltd) to explore for Iron Oxide Copper Gold (IOCG) and Uranium projects in the Cloncurry/Mt Isa block, in North Queensland. The exploration strategy was expanded during the half to include the search for roll front deposits of molybdenum, vanadium and uranium in the Toolebuc Formation in the northern Eromanga Basin between Cloncurry and Hughenden and IOCG and surficial deposits related to alkaline intrusive style deposits in the Clermont region of central Queensland.

Mt Isa Metals has now made application for a total of 34 separate tenements covering the four key project areas. Mt Isa Metals is currently preparing a detailed information memorandum on the company's projects, targeted for completion in March 2007. Following the \$1 million placement of shares to RAB Capital during the quarter, D'Aguilar Gold Ltd holds 81.6% of Mt Isa Metals Pty Ltd.

### *Other Projects*

#### **Ban Ban Zinc**

A review of the Ban Ban Zinc Skarn (1.5Mt @ 7.43% Zn - non JORC compliant, 100% DGR) has highlighted additional scope for the potential development of further mineralisation at depth. Additionally, reported copper nickel mineralisation along strike has been slated for further investigation. The Company is considering a number of farm-in proposals for the project.

#### **D'Aguilar Copper Gold Project**

Recent drilling at gold projects around Kilkivan concentrated on the historic workings at Long Tunnel and Oorts. Results were disappointing in that gold grades declined rapidly vertically and laterally into zones of gold with poor lead zinc and copper nickel mineralisation.

Minor intercepts of good grades were encountered in epithermal and other veins systems at Itchy Quid- Aurora Golden Spur and Tuffnut. At the latter locality an additional EPM application has been lodged to enable D'Aguilar to explore along strike in an area of historic workings.

#### **Bathurst Gold Project**

The Bathurst Polymetallic Project covers an area of 160km<sup>2</sup>. The area covers the historic copper gold mines at Apsley, Red Hill, Davies, and Cow Flat. These historic mines and prospects had previously been regarded as volcanogenic massive sulphide deposits. However D'Aguilar believes they represent skarns related to porphyry intrusions. The area covers 50 different mineral occurrences.

### Rannes Gold Project

D'Aguilar commenced a compilation of historic mapping, sampling and drilling data covering this significant epithermal gold project. The area yielded excellent drill results in the late 1980's by Queensland Metals Corporation.

The Rannes area is a significant system with strong similarities to the Cracow Gold system, 120km to the south.

Extensive shallow drilling by QMC, Placer and Resolute has outlined a small open ended non JORC compliant resource in the order of 35,000 ounces at the Porcupine Pie Prospect. There are additional highly encouraging intersections at other prospects that require follow up exploration activity. Eighteen other known prospects have never been drill tested. Alteration and geochemical anomalism can be observed over an area measuring in excess of 30km by 15km. D'Aguilar tenements cover the entire mineral system.

### Corporate

During August 2006 D'Aguilar issued 16,000,000 shares at 5.0 cents each raising a total of \$800,000 pursuant to an underwritten Share Purchase Plan. A further 475,000 shares were issued (also at 5.0 cents per share) in lieu of underwriters fees, at the underwriters election. The Share Purchase Plan afforded the Company's loyal, smaller shareholders the right to increase their participation in the Company.

In November 2006 the Company issued 15,250,000 shares following the issue of 6.1 million shares at 10.0 cents and a further 9.15 million shares at 10.0 cents following the conversion of short-term loans to the value of \$915,000. A total of \$1,525,000 was raised in November 2006.

In December, D'Aguilar announced that \$1 million had been raised for Mt Isa Metals from RAB Capital, a London stock Exchange listed resource fund, with in excess of £5 billion under management. Mt Isa Metals issued 4 million shares to RAB Capital at a price of 25 cents for a 16.8 % interest in the company. D'Aguilar retains an 81.6% interest in the company and plans to distribute a significant part of its equity in Mt Isa Metals to D'Aguilar shareholders.

The funds raised in Mt Isa Metals are to be used for the purpose of listing Mt Isa Metals on a recognised stock exchange and for working capital.

The placement in Mt Isa Metals and the intention to float the company is consistent with D'Aguilar Gold's business strategy of the corporate development of large exploration plays in independently listed, funded and managed companies.

### Outlook

D'Aguilar currently has three projects maturing under it's stewardship across Molybdenum, Nickel, IOCG, Uranium and base metals. Mezzanine funding has already been secured for Mt Isa Metals Pty Ltd and negotiations are underway for further development of Anduramba Molybdenum Pty Ltd and D'Aguilar Nickel Pty Ltd. Plans are underway to float these companies during 2007. New resource exploration projects will follow in the D'Aguilar portfolio.

With a market capitalisation of just \$12m in February 2007, D'Aguilar has huge leverage to capitalise on successes. The revaluation of its subsidiaries, the value of retained holdings and the proven ability to discover projects are likely to deliver increased value to shareholders.

**EVENTS SUBSEQUENT TO BALANCE DATE**

There have been no events since 31 December 2006 that impact upon the financial report as at 31 December 2006.

**AUDITORS INDEPENDENCE DECLARATION**

The auditor's independence declaration, under section 307C of the Corporations Act 2001, is set out on page 8 for the half-year ended 31 December 2006.

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

**Chris Rawlings**

Brisbane  
1 March 2007

1 March 2007

The Directors  
D'Aguilar Gold Ltd  
Level 5  
60 Edward Street  
Brisbane QLD 4000

Dear Sirs

**AUDITOR INDEPENDENCE DECLARATION TO D'AGUILAR GOLD LTD**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2006, there have been:

- a) No contravention of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) No contravention of any applicable code of professional conduct in relation to the review.

This declaration is in respect of D'Aguilar Gold Ltd.

Yours faithfully  
BDO Kendalls

D Wright  
Partner

## Condensed Income Statement for the half-year ended 31 December 2006

	Consolidated Entity	
	2006 \$	2005 \$
Revenue	40,169	320,920
Debt Forgiveness	-	(72,924)
Revaluation of investments	(122,327)	-
Borrowing cost expenses	(30,000)	(34,114)
Employee benefits expenses	(196,834)	(112,052)
Depreciation expenses	(27,281)	(25,910)
Legal expenses	(41,199)	(135,331)
Administration and consulting expenses	(252,656)	(294,196)
Other expenses	(15,157)	(27,396)
<b>Profit/(loss) before income tax</b>	<b>(645,285)</b>	<b>(381,003)</b>
Income tax expense	-	-
<b>Profit/(loss) for the period</b>	<b>(645,285)</b>	<b>(381,003)</b>
Profit/(loss) attributable to minority equity interest	-	-
<b>Profit/(loss) attributable to members of the parent entity</b>	<b>(645,285)</b>	<b>(381,003)</b>
	Cents	Cents
Basic Earnings Per Share	(0.61)	(0.48)
Diluted Earnings Per Share	(0.61)	(0.48)

*The Condensed Income Statement should be read in conjunction with the notes to the financial statements.*

## Condensed Balance Sheet as at 31 December 2006

	Consolidated Entity	
	31 December 2006 \$	30 June 2006 \$
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	911,336	555,149
Trade and other receivables	1,138,007	54,609
Financial assets	248,427	370,754
Other assets	22,550	24,936
<b>Total Current Assets</b>	<b>2,320,320</b>	<b>1,005,448</b>
<b>NON-CURRENT ASSETS</b>		
Other financial assets	6,086	532,451
Trade and other receivables	554,951	6,383
Property, plant and equipment	152,089	166,371
Exploration expenditure	6,856,362	5,506,804
<b>Total Non-Current Assets</b>	<b>7,569,488</b>	<b>6,212,009</b>
<b>TOTAL ASSETS</b>	<b>9,889,808</b>	<b>7,217,457</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	181,069	204,042
Short term borrowings	34,361	20,373
<b>Total Current Liabilities</b>	<b>215,430</b>	<b>224,415</b>
<b>NON-CURRENT LIABILITIES</b>		
Long term borrowings	18,691	43,819
Long term provisions	600,000	600,000
<b>Total Non-Current Liabilities</b>	<b>618,691</b>	<b>643,819</b>
<b>TOTAL LIABILITIES</b>	<b>834,121</b>	<b>868,234</b>
<b>NET ASSETS</b>	<b>9,055,687</b>	<b>6,349,223</b>
<b>EQUITY</b>		
Issued capital	5 12,263,518	9,158,658
Reserves	6 776,721	715,343
Accumulated losses	(4,170,063)	(3,524,778)
Parent entity interest	8,870,176	6,349,223
Minority equity interest	185,511	-
<b>TOTAL EQUITY</b>	<b>9,055,687</b>	<b>6,349,223</b>

*The Condensed Balance Sheet should be read in conjunction with the notes to the financial statements.*

## Condensed Statement of Cash Flows for the half-year ended 31 December 2006

	Consolidated Entity	
	2006	2005
	\$	\$
	Inflows/ (Outflows)	Inflows/ (Outflows)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	1,113	-
Payments to suppliers and employees (inclusive of goods and services tax)	(638,557)	(556,702)
Interest received	27,048	38,159
Interest and other costs of finance paid	(32,390)	(34,114)
<b>Net cash outflow from operating activities</b>	<b>(642,786)</b>	<b>(552,657)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Security deposit (payments) / refunds	(22,500)	-
Proceeds from sale of property, plant and equipment	5,495	-
Net cash payment on disposal of a subsidiary	-	(17,496)
Payments for property, plant and equipment	(12,999)	(18,989)
Exploration and evaluation expenditure	(1,240,253)	(703,126)
<b>Net cash outflow from investing activities</b>	<b>(1,270,257)</b>	<b>(739,611)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of securities	2,325,000	2,292,780
Payments of security issue costs	(44,630)	(48,700)
Repayment of borrowings	(11,140)	(10,303)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>2,269,230</b>	<b>2,233,777</b>
<b>Net increase/(decrease) in cash held</b>	<b>356,187</b>	<b>941,509</b>
Cash at 1 July	555,149	889,699
<b>Cash at 31 December</b>	<b>911,336</b>	<b>1,831,208</b>

*The Condensed Cash Flow Statement should be read in conjunction with the notes to the financial statements.*

## Condensed Statement of Changes in Equity for the half-year ended 31 December 2006

	Issued Capital	Accumulated Losses	Reserves	Outside Equity Interest	Total
	\$	\$	\$	\$	\$
At 1 July 2005	7,447,478	(2,526,080)	-	-	4,921,398
Issue of shares and options	1,767,009	-	525,771	-	2,292,780
Share issue costs	(48,700)	-	-	-	(48,700)
Issue of options	-	-	131,100	-	131,100
Disposal of subsidiary	-	29,162	-	-	29,162
Profit/(loss) for the period	-	(381,003)	-	-	(381,003)
At 31 December 2005	9,165,787	(2,877,921)	656,871	-	6,944,737
At 1 July 2006	9,158,658	(3,524,778)	715,343	-	6,349,223
Issue of shares and options	2,348,750	-	-	-	2,348,750
Share issue costs	(68,379)	-	-	-	(68,379)
Issue of options	-	-	61,378	-	61,378
Gain arising on issue of shares by subsidiaries to outside shareholders	824,489	-	-	-	824,489
Outside equity interest	-	-	-	185,511	185,511
Profit/(loss) for the period	-	(645,285)	-	-	(645,285)
At 31 December 2006	12,263,518	(4,170,063)	776,721	185,511	9,055,687

*The Condensed Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.*

## Notes to the Financial Statements for the half-year ended 31 December 2006

### Note 1. Basis of Preparation

The half-year interim financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Australian Equivalent to International Reporting Standard AASB 134: Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2006 and any public announcements made by D'Aguilar Gold Ltd and its controlled entities during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies have been consistently applied by the entities in the economic entity and are consistent with those applied in the 30 June 2006 annual report.

The half-year interim financial report does not include all notes of the type normally included in an annual financial report.

#### *Going concern*

The financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business. The ability of the Economic Entity to continue to adopt the going concern assumption will depend upon a number of matters including the successful raising in the future of necessary funding and successful exploitation of exploration expenditure.

#### *Comparatives*

When required by Accounting Standards, comparatives have been adjusted to conform to changes in presentation for the current financial year.

#### *Subsidiary Equity Issue*

Where a subsidiary makes a new issue of capital subscribed by outside equity interests the parent company may make a gain or loss due to dilution of outside equity interests. These gains or losses are recognised in equity attributed to the parent company.

### Note 2. Segment Information

The Economic Entity operates predominantly in one business and geographical segment being in the mining industry in Australia. No revenue from this activity has been earned to date as the Economic Entity is still in the exploration and evaluation stage.

### Note 3. Contingent Assets/Liabilities

There have been no changes in contingent assets or contingent liabilities since the last annual reporting date, 30 June 2006.

### Note 4. Events Subsequent to Balance Date

There have been no events since 31 December 2006 that impact upon the financial report as at 31 December 2006.

## Notes to the Financial Statements for the half-year ended 31 December 2006

	Half Year		Half Year	
	2006	2005	2006	2005
	No.	No.	\$	\$
<b>Note 5. Issued Capital</b>				
Opening balance 1 July	89,830,815	74,505,639	9,158,658	7,447,478
Issues of Ordinary Shares During the Half-Year:				
- Placement	31,725,000	15,025,176	2,348,750	1,728,009
- Share issue costs	-	-	(68,379)	(48,700)
- Options exercised	-	300,000	-	39,000
Gain arising on issue of shares by subsidiaries to outside shareholders	-	-	824,489	-
Closing balance 31 December	<u>121,555,815</u>	<u>89,830,815</u>	<u>12,263,518</u>	<u>9,165,787</u>

**Note 6. Reserves****Issues of listed \$0.197 options exercisable on or before 31 March 2006 during the half-year**

Opening balance 1 July	-	28,656,000	-	-
Expired during the half-year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Closing balance 31 December	<u>-</u>	<u>28,656,000</u>	<u>-</u>	<u>-</u>

**Issues of unlisted \$0.197 options exercisable on or before 31 October 2005 during the half-year**

Opening balance 1 July	-	4,500,000	-	-
Expired during the half-year	<u>-</u>	<u>(4,500,000)</u>	<u>-</u>	<u>-</u>
Closing balance 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Issues of unlisted \$0.127 options exercisable on or before 31 July 2008 during the half-year**

Opening balance 1 July	3,350,000	-	189,572	-
Issued during the half-year	650,000	2,450,000	61,378	131,000
Options exercised	<u>-</u>	<u>(300,000)</u>	<u>-</u>	<u>-</u>
Closing balance 31 December	<u>4,000,000</u>	<u>2,150,000</u>	<u>250,950</u>	<u>131,000</u>

**Issues of unlisted \$0.197 options exercisable on or before 30 September 2008 during the half-year**

Opening balance 1 July	19,162,571	-	525,771	-
Issued during the half-year	<u>-</u>	<u>7,512,571</u>	<u>-</u>	<u>525,771</u>
Closing balance 31 December	<u>19,162,571</u>	<u>7,512,571</u>	<u>525,771</u>	<u>525,771</u>

## Notes to the Financial Statements for the half-year ended 31 December 2006

### Note 7. Minority Equity Interest

In June 2006 D'Aguilar Minerals Pty Ltd was incorporated with D'Aguilar Gold Ltd being the sole shareholder. On 1 December 2006 it was resolved to subdivide the issued share capital of D'Aguilar Minerals Pty Ltd into 20,000,000 ordinary shares.

On 20 December 2006, 500,000 shares were issued at an issue price of \$0.02 and on 21 December 2006 4,000,000 shares were issued at an issue price of \$0.25 per share to raise seed capital.

Following these investments D'Aguilar Gold Ltd retained an 81.6% interest in D'Aguilar Minerals Pty Ltd.

The gain arising on issue of shares by subsidiaries to outside shareholders of \$824,489 is as a result of the economic entity of D'Aguilar Gold Ltd receiving access to net assets in a subsidiary in excess of the value of the outside equity interest in that subsidiary. With the issue of outside equity interests, D'Aguilar Minerals Pty Ltd has only issued further interests in return for cash or other assets. This has the effect of reducing D'Aguilar Gold Ltd's previous 100% ownership through increased investment by outside equity interests.

On 10 January 2007 D'Aguilar Minerals Pty Ltd changed its name to Mt Isa Metals Pty Ltd.

## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 15:
  - (a) comply with Australian Equivalents to International Financial Reporting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
  - (b) give a true and fair view of the economic entity's financial position as at 31 December 2006 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 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 Board of Directors and is signed for and on behalf of the directors by:

Chris Rawlings

Brisbane  
1 March 2007

## Independent Review Report To The Members Of D'aguilar Gold Limited

### Report on the Half-Year Interim Financial Report

We have reviewed the accompanying half-year interim financial report of D'Aguilar Gold Limited, which comprises the condensed balance sheet as at 31 December 2006, and the condensed income statement, condensed statement of changes in equity and condensed cash flow statement for the half-year ended on that date, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year in order for the disclosing entity to lodge the half-year interim financial report with the Australian Securities and Investments Commission and Australian Securities Exchange.

### Directors' Responsibility for the Half-Year Interim Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the half-year interim 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 control relevant to the preparation and fair presentation of the half-year interim 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 interim 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 interim financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the disclosing entity's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of D'Aguilar Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the interim financial report.

A review of a half-year interim 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

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001. We confirm the independence declaration required by the Corporations Act 2001, provided to the directors of D'Aguilar Gold Ltd on 1 March 2007, would be in the same terms if provided to the directors as at the date of this review report.

### Statement

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 interim financial report of D'Aguilar 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 2006 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

**Emphasis of Matter Regarding Going Concern**

Without qualification to the statement expressed above attention is drawn to the following matter. As set out in Note 1, the financial statements have been prepared on a going concern basis. The ability of the company to maintain continuity of normal business activities and to pay its debts and when they fall due is dependent upon the success of continued capital raising and exploitation of its tenements.

No adjustments have been made to the carrying value of assets or recorded amount of liabilities should the company's plans not eventuate.

**BDO Kendalls**  
**Chartered Accountants**

**D P Wright**  
Partner

Brisbane  
Dated: 1 March 2007