



**AND ITS CONTROLLED ENTITY**

**ABN 43 131 213 824**

**Interim Financial Report  
for the half-year ended 31 December 2011**

Note:

The information contained herein should be read in conjunction with the most recent annual report.

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**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
**ABN 43 131 213 824**  
**INTERIM FINANCIAL REPORT 31 DECEMBER 2011**

**DIRECTORS REPORT**

Your Directors submit the financial report of Condoto Platinum NL ("the Company") and its controlled entity Condoto Platinum Limited ("the Group") for the half-year ended 31 December 2011.

**Directors**

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

William Hayden	Non Executive Chairman
Philip O'Neill	Managing Director
Brian Thomas	Non Executive Director
Ed Nealon	Non Executive Director (resigned 21 October 2011)

**Review of Operations**

During the half year, the Company was able to finish construction of its base camp in the township of Novita. The camp is now fully functional and will undergo a series of continuous upgrades. The Company has established a good working relationship with the Novita community as well as the neighbouring communities of Condoto and Tado.

On 21 October 2011, Ed Nealon resigned as a Director of the Company.

In December 2011 the company acquired the remaining 25% non-controlling interest from Smart Kingdom Investments for Condoto Platinum Limited for the exchange of 6,000,000 ordinary shares at an issue price of \$0.30.

**Auditor's Declaration**

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* is set out on page 2 for the half year ended 31 December 2011.

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



**Brian Thomas**

**DIRECTOR**

Dated 15 March 2012

**Bentleys Audit & Corporate  
(WA) Pty Ltd**

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To the Board of Directors

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

This declaration is made in connection with our review of the financial report of Condoto Platinum NL and Controlled Entities for the half-year ended 31 December 2011 and in accordance with the provisions of the *Corporations Act 2001*.

We declare that, to the best of our knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- no contraventions of the *Code of Professional Conduct* of the Institute of Chartered Accountants in Australia in relation to the review.

Yours faithfully



**BENTLEYS**  
Chartered Accountants



**RICHARD JOUGHIN CA**  
Director

DATED at PERTH this 15<sup>TH</sup> day of March 2012

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**INTERIM FINANCIAL REPORT 31 DECEMBER 2011**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2011**

	Note	31 December 2011 \$	31 December 2010 \$
Revenue		50,238	58,102
Other income		24,553	-
Accounting and Administration expense		(187,826)	(22,643)
Share registry and listing fees		(29,910)	(16,179)
Directors fees		(64,519)	(53,158)
Legal and consulting fees		(116,725)	(68,544)
Travel and accommodation expenses		(36,534)	(17,018)
Share based payment expense		(1,786,846)	-
Donations		(109,960)	-
Impairment expense		(241,018)	-
Depreciation expense		(43,108)	-
Other expenses		(10,411)	(14,857)
<b>Results from operating activities</b>		<u>(2,552,066)</u>	<u>(134,297)</u>
<b>Loss before income tax</b>		(2,552,066)	(134,297)
Income tax expense		-	-
<b>Loss for the period</b>		<u>(2,552,066)</u>	<u>(134,297)</u>
<b>Other comprehensive income:</b>			
Exchange differences on translating foreign controlled entity		8,568	-
<b>Other comprehensive income for the period, net of tax</b>		<u>8,568</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u>(2,543,498)</u>	<u>(134,297)</u>
Loss attributable to:			
Members of the parent entity		(2,543,498)	(134,297)
Non-controlling interest		-	-
		<u>(2,543,498)</u>	<u>(134,297)</u>
<b>Total comprehensive income for the period</b>			
Loss attributable to:			
Members of the parent entity		(2,543,498)	(134,297)
Non-controlling interest		-	-
		<u>(2,543,498)</u>	<u>(134,297)</u>
<b>Basic loss per share (cents per share)</b>		(6.34)	(0.61)

The accompanying notes form part of these financial statements.

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
**ABN 43 131 213 824**  
**INTERIM FINANCIAL REPORT 31 DECEMBER 2011**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011**

	Note	31 December 2011 \$	30 June 2011 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,756,543	2,763,372
Other receivables		12,070	5,889
<b>TOTAL CURRENT ASSETS</b>		<u>1,768,613</u>	<u>2,769,261</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		264,009	286,299
Exploration and evaluation assets	1(a)	6,498,928	6,140,977
<b>TOTAL NON-CURRENT ASSETS</b>		<u>6,762,937</u>	<u>6,427,276</u>
<b>TOTAL ASSETS</b>		<u>8,531,550</u>	<u>9,196,537</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		170,280	106,014
Loan payable		107,001	101,396
<b>TOTAL CURRENT LIABILITIES</b>		<u>277,281</u>	<u>207,410</u>
<b>TOTAL LIABILITIES</b>		<u>277,281</u>	<u>207,410</u>
<b>NET ASSETS</b>		<u>8,254,269</u>	<u>8,989,127</u>
<b>EQUITY</b>			
Issued capital	4	9,478,134	7,678,134
Reserves		3,469,665	1,670,213
Accumulated losses		(4,693,530)	(2,012,633)
Parent interest		8,254,269	7,335,714
Non-controlling interest	1(a), 5	-	1,653,413
<b>TOTAL EQUITY</b>		<u>8,254,269</u>	<u>8,989,127</u>

The accompanying notes form part of these financial statements.

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2011**

Consolidated Group	Issued capital	Option reserve	Foreign currency translation reserve	Accumulated losses	Non-controlling interest	Total
	\$	\$	\$	\$	\$	\$
					Note 1(a)	
<b>Balance at 1 July 2010</b>	3,219	-	-	(64,317)	-	(61,098)
Loss attributable to members of the Company	-	-	-	(134,297)	-	(134,297)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	-	(134,297)	-	(134,297)
<b>Transactions with owners, recognised directly in equity</b>						
Shares issued during the period	3,500,000	-	-	-	-	3,500,000
Capital raising costs	(262,113)	-	-	-	-	(262,113)
<b>Balance at 31 December 2010</b>	3,241,106	-	-	(198,614)	-	3,042,492
<b>Balance at 1 July 2011</b>	7,678,134	1,658,098	12,115	(2,012,633)	1,653,413	8,989,127
Loss attributable to members of the Company	-	-	-	(2,552,066)	-	(2,552,066)
Other comprehensive income	-	-	8,568	-	-	8,568
<b>Total Comprehensive income for the period</b>	-	-	8,568	(2,552,066)	-	(2,543,498)
<b>Transactions with owners, recognised directly in equity</b>						
Shares issued during the period	1,800,000	-	-	-	-	1,800,000
Options issued during the period	-	1,786,846	-	-	-	1,786,846
Capital raising costs	-	-	-	-	-	-
<b>Changes in ownership interests in subsidiaries</b>						
Acquisition of non-controlling interests without a change in control	-	-	4,038	(128,831)	(1,653,413)	(1,778,206)
<b>Total transactions with owners of the Company</b>	1,800,000	1,786,846	4,038	(128,831)	(1,653,413)	1,808,640
<b>Balance at 31 December 2011</b>	9,478,134	3,444,944	24,721	(4,693,530)	-	8,254,269

The accompanying notes form part of these financial statements.

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2011**

	<b>31 December 2011 \$</b>	<b>31 December 2010 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(591,136)	(248,089)
Interest received	50,238	58,102
Payment for exploration expenditure	(298,457)	
Net cash used in operating activities	<u>(839,355)</u>	<u>(189,987)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(176,042)	-
Net cash provided by investing activities	<u>(176,042)</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	-	3,397,092
Payment for share issue costs	-	(262,113)
Loan to Condoto Platinum	-	(116,398)
Net cash provided by financing activities	<u>-</u>	<u>3,018,581</u>
Net (decrease)/ increase in cash and cash equivalents	(1,015,397)	2,828,594
Cash and cash equivalents at the beginning of the period	2,763,372	130,688
Effect of exchange rate fluctuations on cash and cash equivalents held	8,568	-
Cash and cash equivalents at the end of the period	<u>1,756,543</u>	<u>2,959,282</u>

The accompanying notes form part of these financial statements.

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

**NOTE 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 the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Condoto Platinum NL and its controlled entity ("Consolidated Group" or the "Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2011, together with any public announcements made by Condoto Platinum NL during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2011, except for the adoption of Improvements to AASBs 2010 (2010 Improvements) as of 1 January 2011. The 2010 Improvements made several minor amendments to AASBs. The relevant amendments and their effects on the current period or prior periods are described below.

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.

**Amendment to AASB 101 Presentation of Financial Statements**

The amendment provides a choice of presenting the reconciliations for each component of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The consolidated group has elected to retain reconciliations within the Consolidated Statement of Changes in Equity as previously disclosed.

**Amendments to AASB 134 Interim Financial Reporting**

The amendments clarified certain disclosures relating to events and transactions that are significant to an understanding of changes in the consolidated group's circumstances since the last annual financial statements. The consolidated group's interim financial statements as of 31 December 2011 reflect these amended disclosure requirements, where applicable.

**(a) Change in Accounting Policy**

The Group has changed the accounting policy relating to the measurement of Non-Controlling Interest for the period ending 31 December 2011. Accordingly the Group has retrospectively changed the comparatives for the year ended 30 June 2011. Non-controlling interests were previously recognised by the Group through the application of the partial goodwill method. The Group has elected to use the full goodwill method as the Group believes this better represents the fair value of the purchase transaction relating to the Condoto acquisition. This change has been implemented as management is of the opinion that the full goodwill method provides a more accurate value of the interests of non-controlling entities.

	30 June 2011		
	Previously Reported	Adjustment	Restated
<b>Effect on Statement of Comprehensive Income</b>	-	-	-
<b>Effect on Statement of financial position</b>			
- Exploration and evaluation assets	4,576,227	1,564,750	6,140,977
- Non-controlling interests	88,663	(1,564,750)	1,653,413



**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

**NOTE 2: OPERATING SEGMENTS**

	Australia	Colombia	Corporate	Total
<b>Segment performance</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>For the half year ended 31 December 2011</b>				
Interest revenue	-	-	50,238	50,238
<hr/>				
Segment results				
Amounts not included in segment results by reviewed by the Board:				
- Corporate charges	-	-	(574,094)	(574,094)
- Exploration expenditure not capitalised	(346)	-	-	(346)
- Share-based payment expenses	-	-	(1,786,846)	(1,786,846)
- Impairment expense	-	(241,018)	-	(241,018)
Loss before income tax				<u>(2,552,066)</u>
			<b>Corporate</b>	<b>Total</b>
			<b>\$</b>	<b>\$</b>
<b>For the half year ended 31 December 2010</b>				
Segment revenue			58,102	58,102
<hr/>				
Segment results			58,102	58,102
Amounts not included in segment results by reviewed by the Board:				
- Corporate Expenses			-	(192,399)
- Exploration expenditure not capitalised			-	-
- Share-based payment expenses			-	-
Loss before income tax				<u>(134,297)</u>
<b>Segment assets</b>				
<b>Opening balance at 30 June 2011</b>	5,489	6,427,676	2,763,372	9,196,537
Additions	83,604	530,294	-	613,898
Other movements in segment assets	-	(284,126)	(1,006,829)	(1,290,955)
<b>Closing balance at 31 December 2011</b>	<u>89,093</u>	<u>6,673,844</u>	<u>1,756,543</u>	<u>8,519,480</u>
<b>Unallocated Assets:</b>				
Other receivables				12,070
<b>Total Assets</b>				<u>8,531,550</u>

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2011**

**NOTE 3: CONTINGENT LIABILITIES**

There has been no change in contingent liabilities since the last annual reporting period.

**NOTE 4: ISSUED CAPITAL**

<b>Movement in Ordinary Shares</b>	<b>31 December 2011</b>	<b>31 December 2010</b>
	<b>\$</b>	<b>\$</b>
	<b>Number</b>	<b>Number</b>
Balance at beginning of the reporting period	39,700,004	6,300,002
Shares issued during the year		
31 August 2010	-	17,500,000
14 December 2011	6,000,000	-
Balance at end of the reporting period	45,700,004	23,800,002

\* Partly paid shares issued to promoters of the Company. Each partly paid share is at a price of \$0.20 of which \$0.01 is paid on issue with the balance of the issue price payable at the election of the holder at any time within 5 years of issue. The partly paid shares will allow on a pro-rata basis permit the holder to vote at general meetings and to participate in dividends.

**NOTE 5: ACQUISITION OF NON-CONTROLLING INTERESTS**

In December 2011 the Group acquired the remaining 25% interest in Condoto Platinum for \$1,800,000 ordinary shares, increasing its ownership from 75% to 100%. The Group recognised a decrease in non controlling interests of \$1,653,415 and an increase in accumulated losses of \$128,030.

**NOTE 6: EVENTS AFTER THE END OF THE INTERIM PERIOD**

On 31 January 2012, the Group announced it had signed a definitive tenement assignment and royalty agreement with the Novita Higher Community Council of Colombia covering a 105,975 hectare land position in the Choco exploration area.

On the 15 February 2012 the company raised \$4,168,500 through the issue of 5,955,000 ordinary shares at \$0.70 per share.

On the 3 March 2012, 6,000,000 ordinary shares were released from escrow.

**CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY**  
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**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 3 - 9:
  - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Act 2001; and
  - b. give a true and fair view of the Group'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 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.



**Brian Thomas**

**DIRECTOR**

**Dated 15 March 2012**

## Independent Auditor's Review Report

### To the Members of Condoto Platinum NL

We have reviewed the accompanying half-year financial report of Condoto Platinum NL ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of 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 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 Condoto Platinum NL, 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.

# Independent Auditor's Review Report

To the Members of Condoto Platinum NL (Continued)

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## Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

## 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 Condoto Platinum NL and Controlled Entities 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.

**BENTLEYS**  
Chartered Accountants

**RICHARD JOUGHIN CA**  
Director

DATED at PERTH this 15<sup>TH</sup> day of March 2012