



AND ITS CONTROLLED ENTITY

ABN 43 131 213 824

**Interim Financial Report
for the half-year ended 31 December 2012**

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 2012

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 2012.

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 (resigned 23 November 2012)
Andrew Johnstone	Non Executive Director (appointed 23 November 2012)

Review of Operations

During the half-year, the gold-platinum gravity circuit at the Novita bulk sampling operations was completed in earnest, with only minor modifications still being required. It is expected the circuit will be fully operational in the first quarter of 2013 following comprehensive testing and optimisation.

With the start-up of bulk sampling expected imminently, work is underway on refining procedures for estimating volumes of input material to the process circuit, in order to confirm head grades based on gold and platinum production.

During the quarter, Condoto Platinum's regional exploration work continued to focus on the Cerro Esperanza/Cerro Torra area, approximately 25 kilometres east of the town of Novita. Work is also being conducted to locate the ancient city of Novita Viejo based on historic records, which indicate very high-grade surface mineralisation at this location.

Sampling of rock chips, soil and panned concentrates of stream sediments is being carried out at the above locations, particularly focusing on areas on the south side of the Cerro Esperanza target, where local miners have reported very coarse gold nuggets in the local stream system.

During the half-year, geologic mapping was also completed in these areas along with compilation and integration of historic geological and geochemical data into Condoto Platinum's GIS platform. This represents some of the first-ever modern and comprehensive work toward understanding the significant gold and platinum-group-element mineralising systems in Choco Department, Colombia.

On 23 November 2012, Brian Thomas resigned as a non-executive director of the Company, Andrew Johnstone was appointed as a non-executive director.

On December 19, 2012, the 6 million partly paid shares were paid to their full \$0.20 price and provided the company with an additional \$1,200,000 in proceeds.

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 2012.

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



Philip O'Neill
DIRECTOR

Dated 12 March 2013

To the Board of Directors

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

As lead audit director for the review of the financial statements of Condoto Platinum NL for the half year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully



BENTLEYS
Chartered Accountants



CHRIS WATTS CA
Director

DATED at PERTH this 12th day of March 2013

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	31 December 2012	31 December 2011
	\$	\$
Revenue	49,502	50,238
Other income	-	24,553
Accounting and Administration expense	(91,227)	(136,781)
Share registry and listing fees	(13,991)	(29,910)
Directors fees	(100,129)	(64,519)
Legal and consulting fees	(30,182)	(116,725)
Travel and accommodation expenses	(22,054)	(36,534)
Share based payment expense	(2,629,638)	(1,786,846)
Donations	-	(109,960)
Non capitalised exploration and Impairment expense	(83,903)	(241,018)
Depreciation expense	(49,650)	(43,108)
Other expenses	(66,827)	(61,456)
Results from operating activities	<u>(3,038,099)</u>	<u>(2,552,066)</u>
Loss before income tax	(3,038,099)	(2,552,066)
Income tax expense	-	-
Loss for the period	<u>(3,038,099)</u>	<u>(2,552,066)</u>
Other comprehensive income:		
Items that will not be reclassified to profit or loss	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	(35,868)	8,568
Other comprehensive income for the period, net of tax	(35,868)	8,568
Total comprehensive income for the period	<u>(3,073,967)</u>	<u>(2,543,498)</u>
Loss and total comprehensive income for the period		
Loss attributable to:		
Members of the parent entity	(3,073,967)	(2,543,498)
	<u>(3,073,967)</u>	<u>(2,543,498)</u>
Basic loss per share (cents per share)	(5.72)	(6.34)

The accompanying notes form part of these financial statements.

CONDOTO PLATINUM NL AND ITS CONTROLLED ENTITY
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	Note	31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS			
Cash and cash equivalents		3,039,884	3,732,628
Other receivables		92,931	66,863
Other assets		148,425	191,471
TOTAL CURRENT ASSETS		3,281,240	3,990,962
NON-CURRENT ASSETS			
Property, plant and equipment		1,019,828	837,689
Asset under construction	5	219,356	-
Exploration and evaluation assets		8,641,405	7,423,175
TOTAL NON-CURRENT ASSETS		9,880,589	8,260,864
TOTAL ASSETS		13,161,829	12,251,826
CURRENT LIABILITIES			
Trade and other payables		292,997	133,715
TOTAL CURRENT LIABILITIES		292,997	133,715
TOTAL LIABILITIES		292,997	133,715
NET ASSETS		12,868,832	12,118,111
EQUITY			
Issued capital	4	17,087,378	13,417,328
Reserves		5,190,544	5,071,774
Accumulated losses		(9,409,090)	(6,370,991)
TOTAL EQUITY		12,868,832	12,118,111

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 FOR THE HALF YEAR ENDED
31 DECEMBER 2012

	Issued capital	Option reserve	Foreign currency translation reserve	Accumulated losses	Non-controlling interest	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2011	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
Total Comprehensive income for the period	-	-	8,568	(2,552,066)	-	(2,543,498)
Transactions with owners, recognised directly in equity						
Shares issued during the period	1,800,000	-	-	-	-	1,800,000
Options issued during the period	-	1,786,846	-	-	-	1,786,846
Changes in ownership interests in subsidiaries						
Acquisition of non-controlling interests without a change in control	-	-	4,038	(128,831)	(1,653,413)	(1,778,206)
Total transactions with owners of the Company	1,800,000	1,786,846	4,038	(128,831)	(1,653,413)	1,808,640
Balance at 31 December 2011	9,478,134	3,444,944	24,721	(4,693,530)	-	8,254,269
Balance at 1 July 2012	13,417,328	4,989,250	82,524	(6,370,991)	-	12,118,111
Loss for the period	-	-	-	(3,038,099)	-	(3,038,099)
Other comprehensive income	-	-	(35,868)	-	-	(35,868)
Total Comprehensive income for the period	-	-	(35,868)	(3,038,099)	-	(3,073,967)
Transactions with owners, recognised directly in equity						
Shares issued during the period	3,675,000	-	-	-	-	3,675,000
Options issued during the period	-	154,638	-	-	-	154,638
Capital raising costs	(4,950)	-	-	-	-	(4,950)
Total transactions with owners of the Company	3,670,050	154,638	-	-	-	3,824,688
Balance at 31 December 2012	17,087,378	5,143,888	46,656	(9,409,090)	-	12,868,832

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	31 December 2012 \$	31 December 2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(395,479)	(591,136)
Interest received	48,411	50,238
Payment for exploration expenditure	(1,218,231)	(298,457)
Net cash used in operating activities	(1,565,299)	(839,355)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(286,627)	(176,042)
Net cash used in investing activities	(286,627)	(176,042)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,200,000	-
Payment for share issue costs	(4,950)	-
Net cash provided by financing activities	1,195,050	-
Net (decrease)/ increase in cash and cash equivalents	(656,876)	(1,015,397)
Cash and cash equivalents at the beginning of the period	3,732,628	2,763,372
Effect of exchange rate fluctuations on cash and cash equivalents held	(35,868)	8,568
Cash and cash equivalents at the end of the period	3,039,884	1,756,543

The accompanying notes form part of these financial statements.

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CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 1: BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2012 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Conduto 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 2012, together with any public announcements made by Conduto Platinum NL during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's financial report for the financial year ended 30 June 2012, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Group include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Group's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Group's presentation of, or disclosure in, its half-year financial statements.

Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments also require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. The amendments have been applied retrospectively and the application of the amendments to AASB 101 do not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

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CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 2: OPERATING SEGMENTS

	Australia	Colombia	Corporate	Total
Segment performance	\$	\$	\$	\$
For the half year ended 31 December 2012				
Interest revenue	-	-	49,502	49,502
Segment results	(218,225)	(190,088)	(2,629,638)	(3,037,951)
Amounts not included in segment results by reviewed by the Board:				
- Depreciation	-	(49,650)	-	(49,650)
Loss before income tax				<u>(3,038,099)</u>
Segment performance	\$	\$	\$	\$
For the half year ended 31 December 2011				
Interest revenue	-	-	50,238	50,238
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>
Segment assets				
As at 30 June 2012	<u>-</u>	<u>8,514,746</u>	<u>3,737,080</u>	<u>12,251,826</u>
Segment asset increases for the period:				
- Exploration expenditure	-	1,282,197	-	1,282,197
- Capital expenditure	-	551,390	-	551,390
	<u>-</u>	<u>1,833,587</u>	<u>-</u>	<u>1,833,587</u>
Segment assets				
As at 31 December 2012	<u>31,880</u>	<u>10,090,065</u>	<u>3,039,884</u>	<u>13,161,829</u>
Segment asset increases for the period:				
- Exploration expenditure	-	1,218,230	-	1,218,230
- Capital expenditure	-	401,495	-	401,495
	<u>-</u>	<u>1,619,725</u>	<u>-</u>	<u>1,619,725</u>

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CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2012

NOTE 3: CONTINGENT LIABILITIES

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

NOTE 4: ISSUED CAPITAL

Movement in Ordinary Shares	31 December 2012
	Number
Balance at beginning of the reporting period	51,655,004
Shares issued during the reporting period	
3 September 2012	<u>4,500,000</u>
Balance at end of the reporting period	<u>56,155,004</u>

* 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.

On 19 December 2012 the partly paid shares were fully paid raising \$1,200,000 in capital.

NOTE 5: ASSETS UNDER CONSTRUCTION

At the end of the reporting period the Company had fixed assets under construction, there was no such comparative in the preceding period.

NOTE 6: KEY MANAGEMENT PERSONNEL

Remuneration arrangements of key management personnel are disclosed in the annual financial report. In addition, during the half year, David Forest was appointed as Chief Operating Officer.

Mr Forest was hired on the 1 October 2012, as an independent consultant, to fulfil the role of Chief Operating Officer. At commencement date Mr Forrest was issued 500,000 options with vesting conditions attached. The vesting condition occurs in four tranches:

- 25% of options vest 9 months after grant date
- 25% of options vest 18 months after grant date
- 25% of options vest 27 months after grant date, and
- 25% of options vest 36 months after grant date

At reporting period date the vesting condition had not been met. In addition to the share options, Mr Forest received a fee of \$5,000 CAD per month. This agreement may be terminated at any time by the Company, with at least one month's advance written notice. This agreement may be terminated at any time by Mr Forest, with at least two months notice to the Company.

NOTE 7: EVENTS AFTER THE END OF THE INTERIM PERIOD

There have been no significant events after the reporting date.

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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 2012 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.



Philip O'Neill

DIRECTOR

Dated 12 March 2013

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 2012, the consolidated statement of profit or loss and other 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 2012 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)



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 2012 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

CHRIS WATTS CA
Director

DATED at PERTH this 12th day of March 2013