



# **GOLD AURA LIMITED**

**ABN 75 067 519 779**

## **FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED  
31 DECEMBER 2007**

<b>Contents</b>	<b>Page</b>
Corporate directory	1
Half-year highlights	2
Review of operations	3
Directors' report	8
Auditor's independence declaration	9
Half-year financial report	
Consolidated income statement	10
Consolidated balance sheet	11
Consolidated statement of changes in equity	12
Consolidated statement of cash flows	13
Notes to the consolidated financial statements	14
Directors' declaration	19
Independent auditor's review report	20

This financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2007 and any public announcements made by Gold Aura Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

# CORPORATE DIRECTORY

Directors	Greg Starr (Chairman) Ken Chapple (Managing Director) James Collins-Taylor (Non Executive Director)
Company secretary	John Lemon
Registered office	Level 6 200 Creek Street Brisbane QLD 4000 AUSTRALIA  Postal address: PO Box 728 Spring Hill QLD 4004 AUSTRALIA  Telephone: (07) 3833 3833 Facsimile: (07) 3833 3888 E mail: <a href="mailto:info@goldaura.com.au">info@goldaura.com.au</a>
Share registry	Link Market Services Limited Level 12 300 Queen Street Brisbane QLD 4000 AUSTRALIA  Postal Address: GPO Box 2537 Brisbane QLD 4001  Telephone: (02) 8280 7454 Facsimile: (07) 3228 4999
Auditors	Pitcher Partners, Brisbane, QLD
Solicitors	Hopgood Ganim, Brisbane, QLD
Stock exchange listings	Gold Aura Limited shares and options are quoted on the Australian Securities Exchange as codes "GOA" and "GOAO" respectively.
Website address	<a href="http://www.goldaura.com.au">www.goldaura.com.au</a>



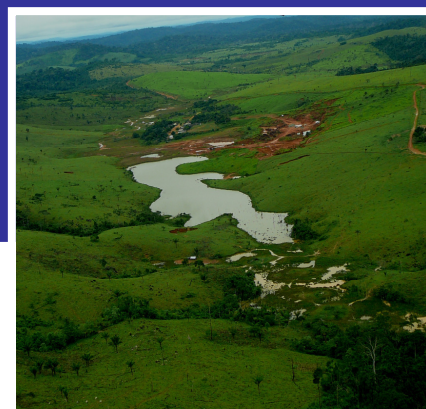
## HALF-YEAR HIGHLIGHTS

Gold Aura Limited (GOA) focussed on exploration of its Croydon, Fergusson Island and Sao Chico projects during the half-year ended 31 December 2007. Highlights included:

- ***Extension of the zinc-lead-silver-tin mineralised zone at Anomaly A2***  
The mineralised zone at Anomaly A2 at the Croydon zinc project (Queensland, Australia) has been extended to cover an area of 1,250 metres by 600 metres. Individual intersections up to 26.4% zinc, 2.9% lead, 672 grams per tonne silver and 1.59% tin have been obtained from the mineralised zone.
- ***New discovery of a copper dominant mineralised zone at Anomaly A1***  
Drill testing of co-incident gravity and magnetic Anomaly A1 at the Croydon zinc project intersected copper dominant vein style mineralisation.
- ***In-fill drilling at Gameta extends known gold mineralisation***  
22 holes for 2,795 metres have been completed of the in-fill drilling program at Gameta (Fergusson Island, Papua New Guinea). The highest intersection received to date has been 35.5 grams per tonne gold over an intersection of 2.79 metres in hole GDH014. It is expected that a preliminary resource (as defined in the JORC code) statement will be prepared in the second half of the financial year.
- ***Exercised option to acquire a 60% interest in Sao Chico***  
Gold Aura do Brasil Mineracao Ltda, a wholly owned subsidiary of GOA, exercised its option to acquire a 60% interest in the Sao Chico property in the Tapajos gold province of Para State in Brazil. Exceptional assays have been obtained from grab samples taken from the ore at surface and the existing shaft and drive of up to 283 grams per tonne gold and 304 grams per tonne silver.

*The information contained pages 2 to 6 of this report relating to exploration results is based on information compiled by Mr Ken Chapple, Managing Director of Gold Aura Limited. Mr Chapple is a Member of the Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Chapple consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

# REVIEW OF OPERATIONS



Gold Aura Limited (GOA) focussed on exploration of its Croydon, Fergusson Island and Sao Chico projects during the half-year ended 31 December 2007.

## *Croydon (Queensland, Australia)*

GOA holds exploration tenements or exploration tenement applications over 38 co-incident magnetic and gravity anomalies (the magnetic and gravity anomalies occur in the same geographic location). Subsequent to the end of the half-year, all but one of the tenement applications have been granted.

Hole/intersection	Zn (%)	Ag (g/t)	Pb (%)	Sn (%)
<b>A2-001</b>				
133.0m (134.0 – 267.0m)	1.11	18.4	0.041	0.153
<i>including 13.2m (142.8 – 156.0m)</i>	<i>1.60</i>	<i>29.3</i>	<i>0.021</i>	<i>0.227</i>
<i>including 0.73m (175.4 – 176.13m)</i>	<i>26.40</i>	<i>565.0</i>	<i>1.770</i>	<i>1.580</i>
<i>including 0.35m (197.25 – 197.6m)</i>	<i>17.90</i>	<i>325.0</i>	<i>0.087</i>	<i>1.020</i>
5.05m (409.05 – 414.1m)	8.00	180.0		0.580
<b>A2-002</b>				
1.0m (127.0 – 128.0m)	1.00	17.1		0.160
0.5m (164.5 – 165.0m)	9.49	14.8		0.200
0.3m (268.1 – 268.4m)		62.7		0.510
<b>A2-003</b>				
1.0m (177.0 – 178.0m)	1.95	66.0	1.300	
1.0m (222.0 – 223.0m)	2.59	39.0		0.170
1.0m (334.0 – 335.0m)	2.05	26.0		
<b>A2-004</b>				
2.0m (351.0 – 353.0m)	3.24	33.0		0.130
<b>A2-005</b>				
7.0m (154.0 – 161.0m)	1.47	88.0	0.450	0.190
1.0m (201.0 – 202.0m)	.73	151.0	0.980	
2.0m (230.0 – 232.0m)	9.00	109.0		0.390
6.0m (291.0 – 297.0m)	1.84	13.0		
<b>A2-006</b>				
10.0m (305.0 – 315.0m)	2.30	144.0	0.890	0.410
20.0m (418.0 – 438.0m)	4.18	49.0		0.380
<i>including 2.0m (419.0 – 421.0m)</i>	<i>11.77</i>	<i>119.0</i>		<i>0.720</i>
<i>including 2.0m (434.0 – 436.0m)</i>	<i>19.70</i>	<i>228.0</i>		<i>0.930</i>
<b>A2-007</b>				
3.0m (393.0 – 396.0m)	5.10	513.0	0.680	0.600
<b>A2-008</b>				
4.0m (359.0 – 363.0m)	3.09	416.6	0.630	0.630
<i>including 1.0m (453.0 – 454.0m)</i>	<i>8.18</i>	<i>1060.0</i>	<i>1.250</i>	<i>1.310</i>
<b>A2-009</b>				
1.0m (248.0 – 249.0m)	2.47	572.0	2.900	
2.0m (261.0 – 263.0m)	1.85	672.0	2.100	

**Table 1 - Significant assay - Anomaly A2 (Croydon Zinc Project, North Queensland)**

## *Anomaly A2*

Anomaly A2 was the first anomaly tested by drilling in December 2006 when a new significant poly-metallic mineralised system was discovered. The results of exploration during the half-year continue to indicate that the mineralisation intersected at Anomaly A2 is part of a large poly-metallic vein style system. Intersections have now been obtained over an area of 1,250 metres by 600 metres.

Assay results from holes, A2-003, A2-004, A2-005, A2-006, A2-007 and A2-009 were received during the half-year. Key intersections together with intersections from the first two holes drilled at Anomaly A2 and hole A2-008 which was received subsequent to the end of the year are set out in table 1.

## *Anomaly A1*

Drilling was undertaken at Anomaly A1 in August and September 2007. Significant assays from holes A1-001 and A1-002 are set out in table 2.

GOA successfully applied for a \$150,000 grant from the Queensland Government to assist with funding the drill testing of the undercover target at Anomaly A1 at Croydon.

## *Expenditure*

Expenditure of \$1,687,500 (2006: \$452,900) was incurred on exploration at the Croydon area of interest for the half-year ended 31 December 2007. This amount has been capitalised as exploration and evaluation expenditure.

## *Forward program*

The planned initial program in 2008 for the tenements is as follows:

- acquire all relevant data. Recent (2007) airborne geophysical data (magnetic and radiometrics) has been acquired by the Queensland Geological Survey over some of the tenements areas.
- using the available magnetic and gravity data, select drill targets and estimate the depth to the magnetic source.
- plan follow-up ground gravity and induced polarisation (IP) surveys where relevant.
- follow-up of the high priority G1 and G3 gravity anomalies and the low to medium priority G2 gravity anomaly.
- seek joint venture partners to share the costs in some areas.
- commence drilling of selected targets.

# REVIEW OF OPERATIONS



Hole/intersection	Zn (%)	Ag (g/t)	Pb (%)	Cu (%)
<b>AI-001</b>				
54.8m (483.0 – 537.8m)		6.5		0.210
including 20.8m (517.0 – 537.8m)		11.0		0.350
<b>AI-002</b>				
7.0m (220.0 – 227.0m)	0.54	15.0		0.150
including 1.0m (221.0 – 222.0m)	2.20	76.1	0.380	0.610
1.0m (245.0 – 246.0m)	0.51	29.5	0.044	0.780
13.0m (499.0 – 512.0m)		4.0		0.140
including 2.0m (261.0 – 263.0m)		14.3		0.440

**Table 2 - Significant assay - Anomaly AI (Croydon Zinc Project, North Queensland)**

## Fergusson Island (Papua New Guinea)

The Fergusson Island Gold Project is a GDA operated joint venture between GDA and Yamana Gold Inc, a Canadian listed company. Yamana is a non-contributing partner which is currently diluting its interest down from an original 40%. Exploration to date has located two gold deposits within the project area, Wapolu located in the north-west corner of Fergusson Island and Gameta located in the north-east corner.

The in-fill drilling program continued with 22 holes now completed for a total of 2,795 metres. The aim of the program is to advance the deposit to a resource reported in accordance with the JORC code. It is expected this will lead to a full feasibility study into possible commercial gold production at Gameta.

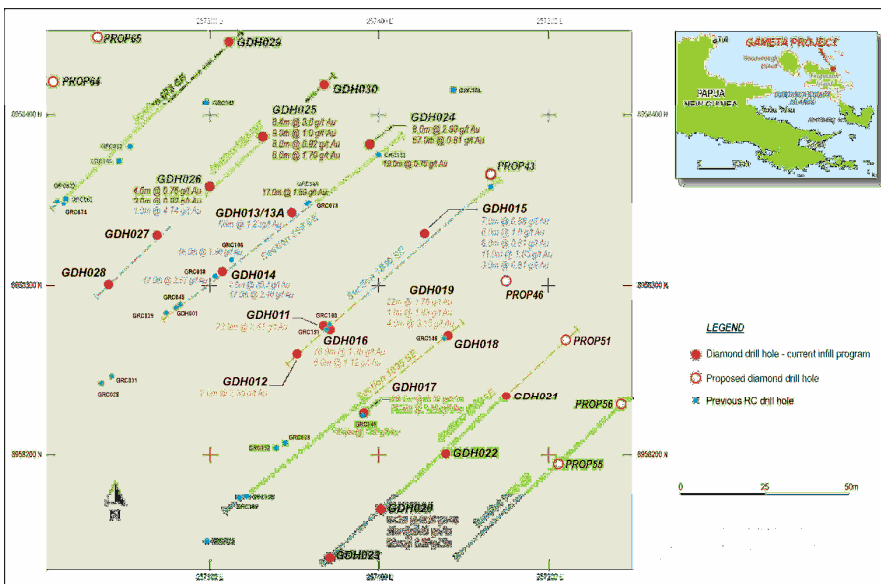
Significant intersections of 8 metres at 2.93 grams per tonne gold (GDH024), 2 metres at 4.78 grams per tonne gold (GDH021), 7.9 metres at 1.10 grams per tonne gold (GDH022), 9 metres at 1.39 grams per tonne gold and 9 metres at 1.37 grams per tonne gold (GDH023).

Significant low grade intersections of 20 metres at 0.55 grams per tonne gold and 11 metres at 0.51 grams per tonne gold (GDH020), 96.4 metres at 0.40 grams per tonne gold (GDH021), 7 metres at 0.86 grams per tonne gold (GDH023) have been encountered.

Tables 3A, 3B and 3C set out the more significant assay results obtained from the in-fill drilling program to date.

Hole/intersection	Au (g/t)	Ag (g/t)
<b>GDH011</b>		
23.91m (42.0 – 65.91m)	2.41	3.0
<b>GDH012</b>		
57.0m (13.0 – 70.0m)	0.28	
including 1.0m (19.0 – 20.0m)	1.39	
including 2.0m (32.0 – 34.0m)	2.35	
<b>GDH013/013A</b>		
65.0m (37.0m to 102.0m)	1.22	
including 8.0m (79.0 – 87.0m)	2.53	
<b>GDH014</b>		
17.0m (9.0 – 27.0m)	2.40	2.8
including 1.94m (23.1 – 25.04m)	12.20	14.1
1.0m (46.0 – 47.0m)	1.69	2.3
2.79m (57.11 – 59.9m)	35.50	28.6
2.0m (95.6 – 97.6m)	1.11	0.1
<b>GDH015</b>		
7.0m (75.0 – 82.0m)	0.88	
6.0m (85.0 – 91.0m)	0.98	
6.0m (118.0 – 124.0m)	0.81	
11.0m (144.0 – 155.0m)	1.85	
3.0m (164.0 – 167.0m)	0.81	
<b>GDH016</b>		
76.9m (42.1 – 119.0m)	1.38	
including 6.9m (42.1 – 49.0m)	2.48	
including 28.0m (91.0 – 119.0m)	0.86	
6.0m (127.0 – 133.0m)	1.12	
<b>GDH017</b>		
30.0m (46.0 – 76.0m)	3.12	
including 19.0m (46.0 – 65.0m)	3.93	
including 11.0m (65.0 – 76.0m)	1.72	
11.3m (111.7 – 123.0m)	1.09	
<b>GDH019</b>		
22.0m (74.0 – 96.0m)	1.76	
13.0m (101.0 – 114.0m)	1.83	
4.0m (142.0 – 147.0m)	3.15	

**Table 3A - Significant assay - Gameta (Fergusson Island, Papua New Guinea)**



**Figure 1: Drill hole locations (Gameta - Fergusson Island)**

# REVIEW OF OPERATIONS



In view of the results obtained to date, it is expected that the program will lead to the commencement of a full feasibility study into possible commercial gold production at Gameta in the second half of 2008.

## Sao Chico (Tapajós Province, Brazil)

Confirmation of mineral rights priority for 30 of the PLG claims (artisan mining claims) which includes the Sao Chico property has now been confirmed and an application has been lodged for transfer of these claims to an exploration licence. Subsequent to the end of the year the exploration licence has been granted and exploration has now commenced. While priority of the mineral rights for 15 of the PLG claims has been rejected, a decision is awaited on priority of the remaining 156 PLG claims held by Waldimiro that are subject to the Option Agreement.

Mineralisation at Sao Chico is contained within a steeply dipping (85° S) E-W trending vein up to three metres in thickness. A shallow shaft 20 metres deep has been sunk on the vein and a total of 67 metres have been driven along the vein from the base of the shaft, 39 metres to the east and 28 metres to the west. While the strike extent of the vein is unknown it is open ended at both ends of the drive. The depth extent is also unknown, but by comparison to other veins in the district it would be expected to be extensive.

Previous surface exploration in the area has been hindered by alluvial cover which is at least several metres thick. A number of individual veins have been exposed by trenching in the area, raising the possibility that there are multiple veins or stockworks present.

Grab sampling of sulphide vein material brought to surface from the small shaft and drive development has yielded some spectacular assay results with high values (not from the same sample) as follows:

Hole/intersection	Au (g/t)	Ag (g/t)
<b>GDHD20</b>		
11.0m (62.0 - 73.0m)	0.51	
20.0m (86.0 - 106.0m)	0.55	
including 2.0m (67.0 - 69.0m)	1.10	
including 1.0m (77.0 - 78.0m)	1.12	
including 1.0m (89.0 - 90.0m)	1.27	
including 1.0m (91.0 - 92.0m)	1.55	
including 2.0m (95.0 - 97.0m)	1.71	
<b>GDHD21</b>		
96.4m (83.3 - 179.7m)	0.40	
including 2.6m (84.0 - 148.0m)	1.00	16.7
including 2.0m (154.0 - 156.0m)	4.78	7.0
<b>GDHD22</b>		
7.9m (63.1 - 71.0m)	1.10	
2.0m (107.0 - 109.0m)	1.56	
1.0m (117.0 - 118.0m)	1.20	
<b>GDHD23</b>		
9.0m (11.0 - 20.0m)	1.39	
2.0m (30.0 - 32.0m)	1.22	
7.0m (38.0 - 45.0m)	0.86	
9.0m (61.0 - 70.0m)	1.37	
3.0m (76.0 - 79.0m)	2.60	
<b>GDHD24</b>		
2.0m (102.0 - 104.0m)	1.29	
1.0m (108.0 - 109.0m)	1.60	
7.0m (103.0 - 110.0m)	0.47	
10.0m (113.0 - 123.0m)	1.14	
3.0m (127.0 - 130.0m)	4.28	
5.0m (133.0 - 138.0m)	2.51	
<b>GDHD25</b>		
8.4m (46.6 - 55.0m)	3.00	8.6
including 2.85m (47.15 - 50.0m)	7.34	20.5
including 1.0m (48.1 - 49.1m)	11.55	24.3
1.0m (79.0 - 80.0m)	4.20	6.3
8.0m (105.0 - 113.0m)	1.70	2.8
including 1.0m (110.0 - 111.0m)	4.35	1.1

**Table 3B - Significant assay - Gameta (Fergusson Island, Papua New Guinea)**

Hole/intersection	Au (g/t)	Ag (g/t)
<b>GDHD26</b>		
4.6m (29.4 - 34.0m)	0.76	
including 0.8m (29.4 - 30.0m)	1.69	1.2
3.0m (41.0 - 44.0m)	0.92	
including 1.0m (42.0 - 43.0m)	1.76	1.3
0.54m (49.0 - 49.54m)	1.25	
1.0m (52.0 - 53.0m)	2.15	2.3
1.0m (70.0 - 71.0m)	4.74	3.9
2.0m (124.0 - 126.0m)	0.57	
<b>GDHD27</b>		
8.0m (15.0 - 23.0m)	1.02	1.0
including 1.5m (17.5 - 19.0m)	1.94	
including 1.0m (21.0 - 22.0m)	2.16	2.3
3.0m (27.0 - 30.0m)	0.55	
4.0m (62.0 - 66.0m)	2.76	2.9
1.0m (67.0 - 68.0m)	0.76	2.5
1.0m (76.8 - 77.8m)	1.00	8.1
<b>GDHD28</b>		
13.07m (1.93 - 15.0m)	1.24	
including 1.42m (4.24 - 5.66m)	3.85	2.2
including 1.8m (6.95 - 8.75m)	2.95	1.0
including 1.0m (14.0 - 15.0m)	1.00	
2.0m (19.0 - 21.0m)	0.60	
1.0m (29.95 - 30.95m)	1.99	3.6
1.0m (42.0 - 43.0m)	0.68	

**Table 3C - Significant assay - Gameta (Fergusson Island, Papua New Guinea)**

Figure 1 shows the drill hole locations and the assay results for the in-fill drilling program obtained to the end of the half-year.

## Forward program

The in-fill drilling program involving up to 60 holes for a total of at least 4,000 metres will be continued in 2008 and is planned for completion by the end of the first half of the year. To date the program is indicating that while the gold grade is similar to that previously indicated, the mineralised zone is likely to be larger.

# REVIEW OF OPERATIONS



283.0 grams per tonne gold (9.1 ounces per tonne) together with 304.0 grams per tonne silver, 52.8% lead, 15.9% zinc and 1.81% copper. Arsenic values are low and do not exceed 0.04%.

The Exploration Contract covers a 5 year period and depending on results involves expenditure of up to US\$9.5 million.

For each property, GOA has or will acquire an 80% interest with the vendors retaining a 20% free carried interest up to completion of a bankable feasibility study. For tenements currently under application (ELAs), completion is subject to eventual grant of the Exploration Licences (ELs) to the vendors.

The total consideration for the package of tenements was 3,100,000 GOA shares and a refund of tenement application fees and rentals of \$50,142.

The tenements have been acquired from South Boulder Mines and two private unlisted Western Australian companies on terms considered to be favourable to GOA with only low up-front cash cost. There are no expenditure commitments, timetables or exploration program commitments other than those imposed under the Western Australian EL conditions.

GOA welcomes the vendor companies as shareholders as all three have indicated their intention to be long term holders of the stock.

The acquisition represents excellent shareholder value with little cash outlay and low expenditure commitments and establishes a strategic alliance with the vendors for future involvement in Western Australia.

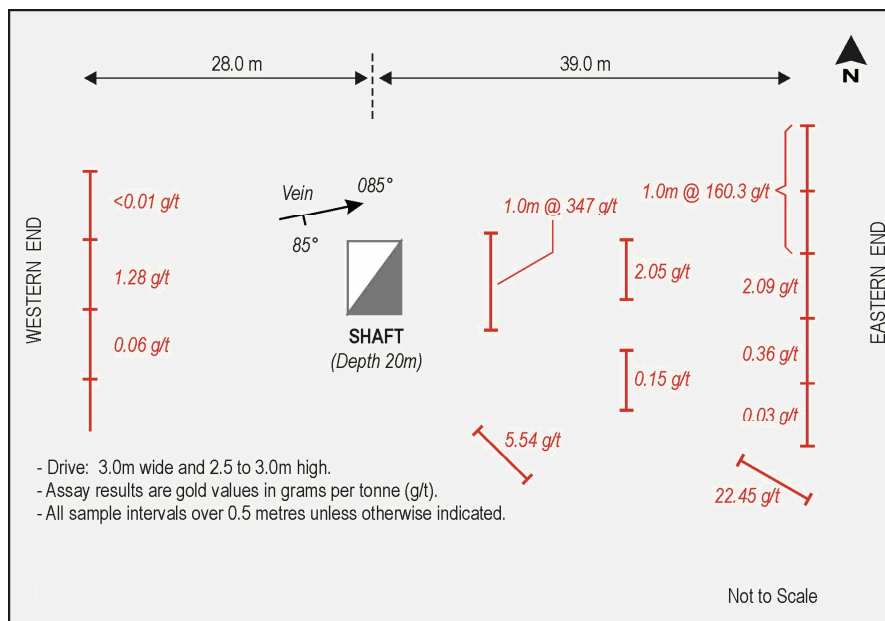


Figure 2: Drive plan and channel sample results (Sao Chico)

Figure 2 shows the results of grab samples taken from the drive at Sao Chico.

In addition, a one metre channel same from the drive returned a gold assay of 347 grams per tonne.

## Sazhen (Kazakhstan)

In December 2006, Gold Aura Kazakhstan LLP (GAK), a company in which GOA holds an 80% participating interest, finalised and signed an Exploration Contract with the Kazakhstan Government covering the Southern Bayankol Concession area in south-east Kazakhstan. The Concession area contains the Sazhen Prospect where quartz carbonate alteration and gold mineralisation is developed within black carbonaceous shales. Previous rock chip sampling located gold anomalous values over an area 7.5 kilometres long by 2.5 kilometres wide.

The Sazhen Prospect lies along a major ENE-WSW fault zone developed within Middle Tien Shan lithologies of the Central Asia Black Shale Gold Belt (CABSGB) that extends along strike from the Kumtor Gold Mine area (17 Moz gold resource) located some 180 kilometres to the west. Further to the west, the CABSGB also hosts the largest gold deposit in the world (Muruntau in Uzbekistan -170 Moz gold resource).

Assessment of data collected during the 2007 field program at Sazhen and the extension over the border into China (Saiyikale) is continuing.

## Western Australian

GOA has signed agreements to acquire three project areas in Western Australian collectively considered to be highly prospective for gold, base metals and uranium.

# REVIEW OF OPERATIONS



## *Doolgunna Gold Project (ELs 51/1189, 51/1190 and ELAs 52/2054, 51/1228, 51/1229)*

This project area is located 830 kilometres NNE of Perth and 150 kilometres NE of Meekatharra and consists of five exploration licence applications (grant pending for three) covering a total combined area of 870 kilometres<sup>2</sup>. This area offers significant potential to discover a new gold and base metal/nickel province in a greenstone belt under shallow cover, close to recent major gold discoveries in adjacent areas. The project is situated in a Palaeo-Proterozoic (1.6 to 2.5 billion years ago) sedimentary basin which developed on the northern edge of the Yilgarn Craton. Only limited exploration work has been reported in the northern part of the project area.

## *Quongdong Well Uranium Project (EL 38/1762)*

This project covers the rights to explore and extract uranium from an already granted Exploration Licence which is located at the northern end of the Duketon Greenstone Belt north of Laverton. It covers Anomaly 58, as outlined in CSIRO Report "Uranium Occurrences in Calcrete and Associated Sediments in Western Australia". The occurrence is hosted by a shallow, drainage developed, calcrete body which is up to 2.0 kilometre wide, 3 to 10 metres thick and extends over a distance of 8.0 kilometres north from Quongdong Well. Within the calcrete horizon, the uranium anomalous area is stated to be 1.0 kilometres wide by 6.0 kilometres in length. South Boulder Mines Limited is the holder of the tenement.

## *Nick's Bore Uranium/Base Metal/Gold Project (EL 09/1475)*

This is an uranium, gold and base metal project located 220 kilometres north-east of Carnarvon in the Gascoyne region of Western Australia. There are no previous reports of uranium exploration having been undertaken on the tenement which includes a calcrete bearing section of the Lyons River that drains granites characterised by high uranium background levels and which are host to numerous bedrock uranium occurrences. Calcrete hosted uranium mineralisation occurs at several localities upstream in Lyons River. Some gold and base metal gossans have also been located in close proximity to the project area.

## **Corporate**

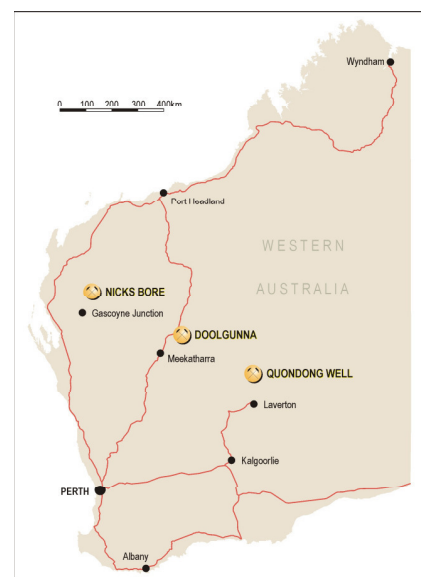
GOA raised \$1.3 million through the issue of shares during the half-year. These funds were primarily used to fund the exploration of the Croydon Zinc project, in-fill drilling at Gameta (Fergusson Island), exercise of the option to acquire a 60% interest in the Sao Chico and working capital generally.

Mr Rob Murdoch resigned as a Director on 17 August 2007. Mr Mark Pratt, the company's Chief Financial Officer was appointed a Director on the same day. Mr Pratt resigned as a Director subsequent to the end of the year on 6 March 2008.

Mr Greg Starr joined the Board of Directors of GOA subsequent to the end of the half-year on 19 February 2008. Mr Starr brings a deep understanding of our industry developed over twenty years in corporate financial management

roles, with the last seventeen years focused on the resources and mining sector including his most recent appointment as Chief Executive Officer and President of Golden China Resources Corporation, and previously as Chief Executive Officer of Michelago Limited and Chief Executive Officer of Emperor Mines Limited.

One of the first tasks Mr Starr has planned in his role as Chairman is a strategic review of GOA and its projects to ensure resources are focused in the area that will add the most value to shareholders.



*Figure 3: Location of Western Australian projects*



# DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Gold Aura Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2007.

## Directors

The names and details of the Directors of the Company in office at the date of this report are:

G B Starr (Chairman)  
K G Chapple (Managing Director)  
J D Collins-Taylor

Mr R B Murdoch was a director from the start of the period until his resignation on 17 August 2007. Mr M Pratt was a director from his appointment on 17 August 2007 until his resignation, subsequent to the end of the half-year, on 6 March 2008.

Subsequent to the end of the half-year, Mr G Starr was appointed the Chairman and a Director on 19 February 2008.

## Review of operations

The loss after tax for the half-year ended 31 December 2007 was \$311,625 (2006: \$627,964 loss).

Refer page 2 to 7 for a further review of the operations for the half-year ended 31 December 2007.

## Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

## Rounding of amounts

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have not been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of Directors.



**G B Starr**  
Chairman



**K G Chapple**  
Managing Director

Brisbane  
13 March 2008



PITCHER PARTNERS

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**Auditor's Independence Declaration  
to the Directors of Gold Aura Limited**

In relation to the half-year independent auditor's review for the six months to 31 December 2007, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of 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.

This declaration is in respect of Gold Aura Ltd and the entities it controlled during this period.

*Pitcher Partners*

PITCHER PARTNERS  
Brisbane

*R J St Clair*

R J St Clair  
13 March 2008

# CONSOLIDATED INCOME STATEMENT

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

	Notes	Half-year	
		2007 \$	2006 \$
<b>Revenue from continuing operations</b>	3	34,358	63,863
Expenses, excluding finance costs	4	(342,521)	(530,679)
Finance costs		(3,462)	(1,176)
<b>Profit/(loss) before income tax</b>		<b>(311,625)</b>	<b>(467,992)</b>
Income tax benefit		-	-
<b>Profit/(loss) from continuing operations</b>		<b>(311,625)</b>	<b>(467,992)</b>
Profit/(loss) from discontinued operations	10	-	(159,972)
<b>Profit/(loss) for the half-year</b>		<b>(311,625)</b>	<b>(627,964)</b>
Profit/(loss) for the half-year is attributable to:			
Members of Gold Aura Limited		(311,625)	(627,755)
Minority interests		-	(209)
		<b>(311,625)</b>	<b>(627,964)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Profit/(loss) per share for profit from continuing operations attributable to the ordinary equity holders of the company:</b>			
Basic loss per share		(0.26)	(0.60)
Diluted loss per share		(0.26)	(0.60)
<b>Profit/(loss) per share for profit attributable to the ordinary equity holders of the company:</b>			
Basic earnings per share		(0.26)	(0.81)
Diluted earnings per share		(0.26)	(0.81)

*The above consolidated income statement should be read in conjunction with the accompanying notes.*

# BALANCE SHEET

## AS AT 31 DECEMBER 2007

	Notes	December 2007 \$	June 2007 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		215,111	2,118,436
Trade and other receivables		28,168	117,458
<b>Total current assets</b>		<b>243,279</b>	<b>2,235,894</b>
<b>Non-current assets</b>			
Receivables		139,865	189,439
Available-for-sale assets		125,000	125,000
Other financial assets		27,583	180,363
Exploration and evaluation	6	10,727,311	7,564,214
Property, plant and equipment		170,527	186,036
<b>Total non-current assets</b>		<b>11,190,286</b>	<b>8,245,052</b>
<b>Total assets</b>		<b>11,433,565</b>	<b>10,480,946</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		279,026	488,834
Interest bearing liabilities		9,001	10,267
Provisions		28,965	26,628
<b>Total current liabilities</b>		<b>316,992</b>	<b>525,729</b>
<b>Non-current liabilities</b>			
Interest bearing liabilities		41,336	36,102
Provisions		45,858	44,168
<b>Total non-current liabilities</b>		<b>87,194</b>	<b>80,270</b>
<b>Total liabilities</b>		<b>404,186</b>	<b>605,999</b>
<b>Net assets</b>		<b>11,029,379</b>	<b>9,874,947</b>
<b>EQUITY</b>			
Contributed equity	7	13,619,743	12,227,488
Reserves	8	671,293	597,491
Accumulated losses	9	(3,261,657)	(2,950,032)
Minority interest		-	-
<b>Total equity</b>		<b>11,029,379</b>	<b>9,874,947</b>

*The above consolidated balance sheet should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

	Half-year	
	2007 \$	2006 \$
<b>Total equity at the beginning of the half-year</b>	9,874,947	7,831,004
Exchange differences on translation of foreign operations	73,802	(249,971)
<b>Net income recognised directly in equity</b>	73,802	(249,971)
<b>Profit/(loss) for the half-year</b>	(311,625)	(627,964)
<b>Total recognised income and expense for the half-year</b>	(237,823)	(877,935)
Transactions with equity holders in their capacity as equity holders:		
Contributions of equity, net of transaction costs	1,392,255	(23,179)
<b>Total equity at the end of the half-year</b>	11,029,379	6,929,890
Total recognised income and expense for the half-year is attributable:		
Members of Gold Aura Limited	(237,823)	(877,726)
Minority interest	-	(209)
	(237,823)	(877,935)

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

	Half-year	
	2007 \$	2006 \$
<b>Cash flows from operating activities</b>		
Payments to suppliers and employees	(482,536)	(206,120)
Goods and services tax refunded	191,242	23,445
Interest received	41,431	60,621
Interest paid	(1,723)	(1,176)
<b>Net cash (outflow) from operating activities</b>	<b>(251,586)</b>	<b>(123,230)</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(4,922)	(68,428)
Payments for exploration and evaluation	(3,188,631)	(1,585,059)
Refund of security deposits	153,000	-
<b>Net cash (outflow) from investing activities</b>	<b>(3,040,553)</b>	<b>(1,653,487)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of ordinary shares and options	1,480,794	-
Share issue costs	(88,539)	(23,180)
Draw down of borrowings	8,699	-
Repayment of lease liabilities	(5,033)	-
<b>Net cash (outflow) inflow from financing activities</b>	<b>1,395,921</b>	<b>(23,180)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(1,896,218)</b>	<b>(1,799,897)</b>
Cash and cash equivalents at the beginning of the half-year	2,118,436	2,482,095
Effects of exchange rates	(7,107)	-
<b>Cash and cash equivalents at end of the half-year</b>	<b>215,111</b>	<b>682,198</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. Summary of significant accounting policies

This general purpose financial report for the interim half-year reporting period ended 31 December 2007 has been prepared in accordance with Accounting Standard AASB 134 - *Interim Financial Reporting* and the *Corporations Act 2001*.

This report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2007 and any public announcements made by Gold Aura Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

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

## 2. Going concern

The financial statements are prepared on a going concern basis.

The consolidated entity has the ability to continue as a going concern so long as it is not materially affected by any adverse change in the external environment in which it operates. This would include, but not be limited to, its ability to raise sufficient capital to finance its exploration and operational expenditure.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

## 3. Revenue

	Half-year	
	2007 \$	2006 \$
Interest	34,358	58,863
Other revenue	-	5,000
	<b>34,358</b>	<b>63,863</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 4. Profit/(loss) for the half-year

	Notes	Half-year	
		2007 \$	2006 \$
<b>Expenses, excluding finance costs, included in the income statement classified by nature</b>			
Audit fees <sup>(a)</sup>		20,908	(1,331)
Consulting fees		44,352	90,948
Depreciation and amortisation expense		9,403	17,476
Directors' expenses		15,477	23,519
Employee benefits expense		113,308	51,221
Foreign exchange losses (net)		18,525	1,746
General administration expenses		30,194	23,905
Insurance		14,341	4,002
Marketing and promotion expenses		6,283	2,000
Occupancy expenses		13,747	13,577
Share registry / meeting costs		39,928	33,672
Telephone		5,570	6,366
Travel		10,485	4,247
Diminution of asset values	6	-	259,331
		<b>342,521</b>	<b>530,679</b>

<sup>(a)</sup> Audits fees for the half-year ended 31 December 2006 includes reversal of an over provision from the prior year of \$25,750.

## 5. Segment information

The Company operates primarily in one business segment being the exploration for and evaluation of mineral resources, primarily gold.

## 6. Non-current assets – Exploration and evaluation expenditure

Balance 1 July	7,564,214	5,083,090
Additions	3,059,203	1,481,188
Provision for diminution	-	(259,331)
Transferred to assets held for sale	-	(273,261)
Effects of movements in exchange rates	103,894	(146,099)
Balance 31 December	<b>10,727,311</b>	<b>5,885,587</b>

The ultimate recovery of the carrying value of the capitalised exploration and evaluation expenditures is primarily dependent upon successful development and commercial exploitation, or alternatively, the sale of the relevant areas of interest at amounts in excess of their book values.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 7. Equity securities issued

	Half-year		Half-year	
	2007 Shares	2006 Shares	2007 \$	2006 \$
<b>Movement in shares on issue</b>				
Balance 1 July	111,397,205	77,563,271	12,227,488	8,808,087
Exercise of options at 13 cents	58	-	7	-
Placement of shares at 9.0 cents	5,377,633	-	483,987	-
Placement of shares at 7.6 cents for acquisition of tenements	1,800,000	-	136,800	-
Placement of shares at 8.0 cents	10,750,001	-	860,000	-
Issue costs	-	-	(88,539)	(23,180)
Balance 31 December	129,324,896	77,563,271	13,619,743	8,784,907

The issue of 1,800,000 ordinary shares at 7.6 cents per share was partial consideration for the purchase of the Western Australian tenements. The remaining 1,300,000 shares of consideration for the tenement acquisition is to be issued when the exploration licences are granted and the ministerial consent to the transfer is obtained.

## 8. Reserves

	December 2007 \$	June 2007 \$
Asset revaluation reserve	1,021,998	1,021,998
Foreign currency translation reserve	(350,705)	(424,507)
	671,293	597,491

### Movements:

	Half-year	
	2007 \$	2006 \$
<i>Foreign currency translation reserve</i>		
Balance 1 July	(424,507)	-
Currency translation differences arising during the half-year	73,802	(249,971)
Balance 31 December	(350,705)	(249,971)

There has been no movement in the asset revaluation reserve.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 9. Retained earnings

Movements in retained earnings were as follows:

	Half-year	
	2007 \$	2006 \$
Balance 1 July	(2,950,032)	(1,999,289)
Net profit/(loss) for the half-year	(311,625)	(627,755)
Balance 31 December	(3,261,657)	(2,627,044)

## 10. Discontinued operations

### (a) Description

On 14 September 2006 the Company announced it had signed an agreement with Plentex for the sale of the Georgetown tenements and plant. The sale was not unconditional at 31 December 2006, therefore it was not recognised. However the carrying value of the tenements and plant were reclassified as assets held for sale and written down to the fair value less costs to sell as at 31 December 2006.

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

### (b) Financial performance and cash flow information

The financial performance and cash flow information presented are for the half-year ended 31 December 2007.

	Half-year	
	2007 \$	2006 \$
Revenue	-	-
Expenses	-	-
Profit/(loss) before income tax	-	-
Income tax expense	-	-
Profit/(loss) after income tax of discontinued operations	-	-
Loss on measurement to fair value less costs to sell included in expenses	-	(159,972)
Income tax expense	-	-
Gain on sale of the division after income tax	-	-
<b>Profit/(loss) from discontinued operations</b>	-	(159,972)
Net cash inflow from operating activities	-	-
Net cash inflow (outflow) from investing activities	-	-
Net cash (outflow) from financing activities	-	-
Net increase in cash generated by the division	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(c) *Carrying amounts of assets and liabilities*

The carrying amount of assets and liabilities as at 31 December 2006 were:

	Half-year	
	2007 \$	2006 \$
Property, plant and equipment	-	16,711
Exploration and evaluation	-	113,289
<b>Total assets</b>	-	130,000
<b>Net assets</b>	-	130,000

# DIRECTORS' DECLARATION

In the Directors' opinion:

(a) the financial statements and notes set out on pages 10 to 18 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Gold Aura Limited 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 Directors.



**G B Starr**  
Chairman

13 March 2008



# PITCHER PARTNERS

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## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GOLD AURA LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Gold Aura Limited and its controlled entities. The half-year financial report comprises the consolidated balance sheet as at 31 December 2007, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the half-year ended on that date, for the company and the entities it controlled at the half-year or from time to time during the period, together with 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 Gold Aura Limited are responsible for the preparation and fair presentation of the half-year 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 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 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 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 2007 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 Gold Aura Limited and its controlled entities, 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.

### *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 Gold Aura Ltd and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Gold Aura Ltd and its controlled entities' financial position as at 31 December 2007 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*.

### *Inherent uncertainty regarding continuation of going concern*

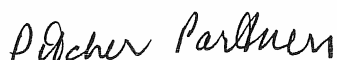
Without qualification to the statement expressed above, attention is drawn to the following matter.

As a result of the matters described in Note 2 to the financial statements, there is significant uncertainty as to whether the consolidated entity will be able to obtain additional funding to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report. The half-year financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

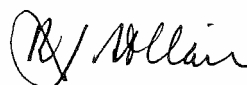
### *Inherent uncertainty regarding capitalised mineral exploration costs*

Without qualification to the statement expressed above, attention is drawn to the capitalised exploration and development costs (note 6) totalling \$10,727,311 (2006: \$5,885,587) that have been included in the consolidated entity's Balance Sheet as non-current assets.

The ultimate recovery of the carrying values of these assets is dependent upon their successful development and commercial exploitation or, alternatively, the sale of the relevant assets at amounts in excess of their book values.



PITCHER PARTNERS  
Brisbane



R J St Clair  
13 March 2008