

**GOLDEN DEEPS LTD**

A.C.N. 054 570 777

Half Yearly Report

31 December 2002

**GOLDEN DEEPS LTD**  
**A.C.N. 054 570 777**

**HALF YEAR REPORT**  
**For the Half Year Ended 31 December 2002**

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**GOLDEN DEEPS LTD**  
**A.C.N. 054 570 777**

**COMPANY DIRECTORY**

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**DIRECTORS**

Robert John Collins

Alexander Clemen

Bruce Russell McCullagh

**COMPANY SECRETARY**

Bruce Russell McCullagh

**REGISTERED OFFICE**

1<sup>st</sup> Floor, 8 Parliament Place  
WEST PERTH WA 6005

Telephone: (08) 9481 7833

Facsimile: (08) 9481 7835

**SHARE REGISTRY**

Computershare Investor Services  
Level 2, Reserve Bank Building  
45 St Georges Terrace  
PERTH WA 6000

Telephone: (08) 9323 2000

Facsimile: (08) 9323 2096

**AUDITORS**

Stanton Partners  
1 Havelock Street  
WEST PERTH WA 6005

**STOCK EXCHANGE LISTING**

The Company is listed on the Australian Stock Exchange Limited  
Home Exchange: Perth, Western Australia

Australian Stock Exchange Limited Code: GED

**GOLDEN DEEPS LTD**  
**A.C.N. 054 570 777**

**DIRECTORS' REPORT**  
**For the Half Year Ended 31 December 2002**

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The Board of Directors of Golden Deeps Ltd has pleasure in submitting their report together with the financial accounts of the Company for the half year ended 31 December 2002 and review report thereon.

**DIRECTORS**

The names of directors of the Company in office during or since the end of the half year are:-

**Name**

RJ Collins, Chairman

A Clemen

BR McCullagh

**REVIEW OF OPERATIONS**

During the half year the Company invested \$180,000 in shares and options in a petroleum company. This investment was liquidated in January 2003 for a gross return of \$300,000. In addition another \$201,687 was generated in January 2003 with the disposal of part of another share investment.

The exploration tenements known as the Victory Dam project, east of Kalgoorlie, were all relinquished in the second half of 2002. The Company continues to search for a third party to develop and mine the Twin Hills ore deposit.

**MEETINGS OF DIRECTORS**

The following table sets out the number of meetings of the chief entity's Directors held during the half year ended 31 December 2002 and the number of meetings attended by each Director.

Name:	Eligible to Attend	Attended
RJ Collins	2	2
A Clemen	2	2
B McCullagh	2	2

This report has been made in accordance with a resolution of Directors.



**RJ Collins**  
**Director**

**Perth**  
**11<sup>th</sup> March 2003**

**GOLDEN DEEPS LTD**  
A.C.N. 054 570 777

**CONDENSED STATEMENT OF FINANCIAL PERFORMANCE**  
**For the Half Year Ended 31 December 2002**

	Note	Consolidated 31 December 2002 \$	Consolidated 31 December 2001 \$
Revenue from ordinary activities			
Interest income		26,219	31,433
Operating costs			
Depreciation		4,099	4,406
Management fees		82,904	81,167
Other operating costs from ordinary activities		128,802	80,828
		<u>215,805</u>	<u>166,401</u>
Loss from ordinary activities before income tax		(189,586)	(134,968)
Income tax expense relating to ordinary activities		-	-
Loss from ordinary activities after income tax expense		<u>(189,586)</u>	<u>(134,968)</u>
Earnings per share			
Basic loss per share - cents	3	<u>(0.73)</u>	<u>(0.52)</u>

The accompanying notes form an integral part of this consolidated statement of financial performance.

**GOLDEN DEEPS LTD**  
A.C.N. 054 570 777

**CONDENSED STATEMENT OF FINANCIAL POSITION**  
at 31 December 2002

	Note	Consolidated 31 December 2002 \$	Consolidated 30 June 2002 \$	Consolidated 31 December 2001 \$
<b>CURRENT ASSETS</b>				
Cash assets		869,880	1,232,762	1,253,398
Receivables		12,229	14,855	11,363
<b>TOTAL CURRENT ASSETS</b>		<u>882,109</u>	<u>1,247,617</u>	<u>1,264,761</u>
<b>NON-CURRENT ASSETS</b>				
Receivables		133,000	133,000	-
Other financial assets		183,000	3,000	3,600
Plant and equipment		15,287	19,386	23,735
Exploration expenditure		-	-	526,123
<b>TOTAL NON-CURRENT ASSETS</b>		<u>331,287</u>	<u>155,386</u>	<u>553,458</u>
<b>TOTAL ASSETS</b>		<u>1,213,396</u>	<u>1,403,003</u>	<u>1,818,219</u>
<b>CURRENT LIABILITIES</b>				
Payables		4,000	4,021	9,727
<b>TOTAL LIABILITIES</b>		<u>4,000</u>	<u>4,021</u>	<u>9,727</u>
<b>NET ASSETS</b>		<u><b>1,209,396</b></u>	<u><b>1,398,982</b></u>	<u><b>1,808,492</b></u>
<b>EQUITY</b>				
Contributed equity		8,203,320	8,203,320	8,203,320
Accumulated losses	2	<u>(6,993,924)</u>	<u>(6,804,338)</u>	<u>(6,394,828)</u>
<b>TOTAL EQUITY</b>		<u><b>1,209,396</b></u>	<u><b>1,398,982</b></u>	<u><b>1,808,492</b></u>

The accompanying notes form an integral part of the consolidated statement of financial position.

**GOLDEN DEEPS LTD**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Half Year ended 31 December 2002**

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	<b>31 December 2002 \$</b>	<b>31 December 2001 \$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers	(165,228)	(233,213)
Interest received	24,765	30,895
<b>Net cash used in operating activities</b>	<u><b>(140,463)</b></u>	<u><b>(202,318)</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment	(180,000)	-
Purchase of equipment	-	(11,527)
Exploration costs paid	(42,419)	(35,416)
<b>Net cash used in investing activities</b>	<u><b>(222,419)</b></u>	<u><b>(46,943)</b></u>
Net decrease in cash held	(362,882)	(249,261)
Cash at the beginning of the half year	1,232,762	1,502,659
<b>Cash at the end of the half year</b>	<u><u><b>869,880</b></u></u>	<u><u><b>1,253,398</b></u></u>

The accompanying notes form an integral part of the consolidated statement of cash flows.

**GOLDEN DEEPS LTD**  
**A.C.N. 054 570 777**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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**1. BASIS OF PREPARATION**

The half-year consolidated financial statements are a general purpose financial report prepared for the half year ended 31 December 2002 in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 1029: Interim Financial Reporting, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. It is recommended that this report should be read in conjunction with the 30 June 2002 Annual Report and any public announcements made by Golden Deeps Ltd during the half-year in accordance with the continuous disclosure obligations of the Corporations Act 2001.

The accounting policies applied by the Company are consistent with those of the previous financial year and corresponding half year.

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

The half-year report does not include full disclosures of the type normally included in an annual financial report.

**2. ACCUMULATED LOSSES**

	<b>Consolidated 31 December 2002 \$</b>	<b>Consolidated 31 December 2001 \$</b>
Accumulated losses at the start of the period	6,804,338	6,259,860
Loss for the six month period	189,586	134,968
Accumulated losses at the end of the half year	<u>6,993,924</u>	<u>6,394,828</u>

**3. EARNINGS PER SHARE**

Weighted average number of shares on issue during the period used in the calculation of basic earnings per share.	<u>25,940,020</u>	<u>25,940,020</u>
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**4. SUBSEQUENT EVENTS**

During January 2003 the Company sold certain share investments, which generated \$501,687 in cash and a profit of \$316,645.

**GOLDEN DEEPS LTD**  
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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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**5. CONTINGENT LIABILITIES**

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

**6. SEGMENT INFORMATION**

The consolidated entity operates predominately within Western Australia in exploration for mineral deposits. Investments have also been made in publicly listed companies at a cost of \$183,000.

**GOLDEN DEEPS LTD**  
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**DIRECTORS' DECLARATION**

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The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 9:
  - (a) comply with Accounting Standards, the Corporations Regulations 2001 and other mandatory reporting requirements; and
  - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2002 and of its performance as represented by the results of its operations and its cash flows for the half year ended on that date.
  
2. In the Directors' opinion:
  - (a) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
  - (b) the financial statements and notes are in accordance with the Corporations Act 2001.

SIGNED in accordance with a resolution of the Directors on behalf of the Board.



**R J Collins**  
**DIRECTOR**

**Perth**  
**11<sup>th</sup> March 2003**

**GOLDEN DEEPS LTD**  
**A.C.N. 054 570 777**

**INDEPENDENT REVIEW REPORT**



**STANTON PARTNERS**

1 HAVELOCK STREET  
WEST PERTH 6005  
WESTERN AUSTRALIA

**TELEPHONE: (08) 9481 3188**

Facsimile: (08) 9321 1204

Email: [australia@stanton.com.au](mailto:australia@stanton.com.au)

**INDEPENDENT REVIEW REPORT  
TO THE MEMBERS OF  
GOLDEN DEEPS LIMITED**

**Scope**

We have reviewed the financial report of Golden Deeps Limited for the half year ended 31 December 2002 as set out on pages 5 to 10. The Company's directors are responsible for the financial report which includes the consolidated financial statements of the consolidated entity comprising the Company and the entities it controlled at the end of, or during, the half year. We have performed an independent review of the financial report in order for the Company to lodge the financial report with the Australian Securities and Investments Commission. This review was performed in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029: Interim Financial Reporting, other mandatory professional reporting requirements in Australia and the Corporations Act 2001, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. The review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

**GOLDEN DEEPS LTD**  
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**INDEPENDENT REVIEW REPORT**

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**Statement**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the company is not in accordance with:

- (a) the Corporations Act 2001, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2002 and of its performance for the half year ended on that date; and
  - (ii) complying with Accounting Standard AASB 1029: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements.

**STANTON PARTNERS**

*Stanton Partners*  
*J P Van Dieren*

**J P Van Dieren**  
**Partner**

Perth, Western Australia  
14 March 2003