

MINDAX LIMITED

ABN 28 106 866 442



HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2009

MINDAX LIMITED
ABN 28 106 866 442

CORPORATE DIRECTORY

DIRECTORS

Gilbert Charles George (Non-executive, Chairman)
Gregory John Bromley (Managing Director)
Nicholas James Smith (Non-executive Director)
Andrew Tsang (Non-executive Director)
Benjamin Chow (Non-executive Director)

PRINCIPAL OFFICE

Level 2
25 Richardson Street
West Perth WA 6005

PO Box 92
West Perth WA 6892
Telephone (08) 9485 2600
Facsimile (08) 9485 2500

Website www.mindax.com.au

REGISTERED OFFICE

21 Teddington Road
BURSWOOD WA 6100
Telephone (08) 9486 2333
Facsimile (08) 9355 4580

AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

COMPANY SECRETARY

Angelo Francesca

BANKERS

Commonwealth Bank
1254 Hay Street
West Perth WA 6005

Westpac Banking Corporation
465 Scarborough Beach Road
Osborne Park WA 6017

SHARE REGISTRY

Advanced Share Registry Services
150 Stirling Highway
Nedlands WA 6009

STOCK EXCHANGE LISTING

Shares in Mindax Limited are quoted on the
Australian Securities Exchange:
ASX codes: MDX (shares)

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DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Mindax Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2009.

1 DIRECTORS

The directors of the Company at any time during the whole of the half-year and up to the date of this report are:

GEORGE, Gilbert Charles (Chairman)
BROMLEY, Gregory John
SMITH, Nicholas James
TSANG, Andrew
CHOW, Benjamin

2 OPERATING RESULTS

The consolidated net loss from ordinary activities after providing for income tax amounted to \$790,967 (2008: loss of \$676,215).

3 REVIEW OF OPERATIONS

EXPLORATION

Exploration highlights for the half-year by operating segments include the following.

Iron Ore (Comprising the Mt Forrest and Panhandle Project)

- Inaugural drilling of 16 holes for iron at Mt Forrest, at Toucan prospect has been completed. Assay results are incomplete but confirm the presence of high grade haematites within wider iron rich (haematite and goethitic) zones:
 - 5m @ 63.4% Fe from 31 m in MFC0003
 - 4m @ 62.9% Fe from 13 m in MFC0007
 - 3m @ 61.7% Fe from 7 m in MFC0001
- The very early results bear out the modelling generated from systematic detailed surface mapping and rock chip sampling.
- A second section 18 approval at Mt Forrest has been determined and allows drilling to take place over a further 10 km of prospective iron formation. Ninety four holes are planned within this area and subject to DMP approvals, this work should commence in March.

Uranium (Comprising the Yilgarn Avon Joint Venture – Palaeochannel Project)

- Scout drilling along the Yilgarn palaeoriver within the Mukinbudin Project area 200 km north-east of Perth has encountered very significant grades of roll front sedimentary uranium mineralisation. The intercepts occur on parallel, adjacent traverses separated by 2000m.

DIRECTORS' REPORT, CONTINUED

- Scout drilling is set to continue, with detailed drilling to commence adjacent to anomalous intercepts.

Copper, Gold (Comprising the Yilgarn Avon Joint venture – Mortlock Project)

- Small programs of rock chip sampling and soil sampling were conducted at selected anomalies to aid in the target ranking for drilling priority.
- A program of work ("PoW") has been approved for drilling of the Centre Forest East Cu / Au EM geophysical target.

Gold (Comprising the Meekatharra and Sandstone Wide Project)

- *Sandstone Panhandle Project:*
A PoW Application has been approved by the DMP to drill test the Terrier Prospect. This drilling will be done in conjunction with work at Mt Forrest.
- *Sandstone Wide Project:*
The March quarter will see commencement of sampling at the Toccata gold prospect and the Ocelot iron prospect.
- *Meekatharra North Project:*
A heritage clearance with the local traditional owners was carried out during November. It is expected that drilling will be undertaken during the March quarter.

CORPORATE

During the half-year the Company issued **300,000 unlisted options** to arms length employees and consultants pursuant to its Employee and Consultant Option Scheme. Each option is exercisable at \$0.48 and has an expiry date of 12 October 2012.

In addition to the above, the Company also issued the following **unlisted options**:

- **1,500,000** options to Directors approved at the Company's 2009 Annual General Meeting.
- **300,000** options to arms length consultants pursuant to the Company's Employee and Consultant Option Scheme.

Each option above will vest on 31 March 2010 (subject to meeting the relevant vesting condition), has an exercise price of \$0.60 and an expiry date of 31 March 2012.

During the half-year Benjamin Chow was appointed a director of the Company.

4 SUBSEQUENT EVENTS

On 15 December 2009, the Company announced details of a Share Purchase Plan (SPP) and a proposed bonus issue of options (bonus issue).

The SPP closed on 8 January 2010 with the Company receiving \$790,000 from eligible shareholders applying for 1,580,000 ordinary fully paid shares.

DIRECTORS' REPORT, CONTINUED

On 22 January 2010, a prospectus was lodged with regard to the bonus issue. Under the terms of the bonus issue, each eligible shareholder has received one bonus option (at no cost) for every two Mindax shares held as at the record date of 5pm AWST, 3 February 2010. Each bonus option has an exercise price of \$0.75 and an expiry date of 1 December 2011.

There has not been any other matter or circumstance that has arisen since the end of the half-year that has significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial periods.

5 AUDITOR'S DECLARATION

A copy of the independence declaration by the lead auditor under section 307C is included on page 4 to this half-year financial report.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



GREGORY JOHN BROMLEY
Director

Dated at PERTH this 26th day of February 2010



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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

26 February 2010

Mindax Limited
Level 2
25 Richardson Street
WEST PERTH WA 6005

Dear Sirs

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF MINDAX LIMITED

As lead auditor of Mindax Limited for the half-year ended 31 December 2009, 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
- No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mindax Limited and the entities it controlled during the period.

Peter Toll
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia
26 February 2010

MINDAX LIMITED
ABN 28 106 866 442

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	31.12.2009	31.12.2008
	\$	\$
Revenue from continuing operations	124,742	359,560
Depreciation and amortisation expense	(29,441)	(20,489)
Directors fees	(89,321)	(77,500)
Share based payments – employee options	(345,600)	(65,400)
(Write-off)/Recovery of exploration expenditure	18,957	(147,522)
Corporate management fees	(126,520)	(116,199)
Finance costs	(605)	(1,169)
Occupancy expense	(126,819)	(56,664)
Other expenses	(216,360)	(550,832)
Loss before income tax	(790,967)	(676,215)
Income tax benefit	-	-
Net loss for the half year	(790,967)	(676,215)
Other comprehensive income	-	-
Other comprehensive income for the half-year, net of tax	-	-
Total comprehensive loss for the half-year	(790,967)	(676,215)
Loss for the half-year is attributable to:		
Owners of Mindax Limited	(790,967)	(676,215)
Total comprehensive loss for the half-year is attributable to:		
Owners of Mindax Limited	(790,967)	(676,215)
Earnings per share for loss from continuing operations attributable to ordinary equity holders of the Company		
Loss per share:		
Basic and diluted (cents per share)	(0.613)	(0.528)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

MINDAX LIMITED
ABN 28 106 866 442

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

	31.12.2009	30.06.2009
	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	6,058,600	7,831,681
Trade and other receivables	191,092	314,245
Other	94,379	-
TOTAL CURRENT ASSETS	6,344,071	8,145,926
NON-CURRENT ASSETS		
Property, plant & equipment	203,631	208,988
Exploration & evaluation expenditure	6,636,481	5,421,693
Other	1,785	2,065
TOTAL NON-CURRENT ASSETS	6,841,897	5,632,746
TOTAL ASSETS	13,185,968	13,778,672
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	254,246	396,951
Borrowings	14,655	5,532
Provisions	63,867	77,622
TOTAL CURRENT LIABILITIES	332,768	480,105
NON CURRENT LIABILITIES	-	-
TOTAL NON CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	332,768	480,105
NET ASSETS	12,853,200	13,298,567
EQUITY		
Contributed equity	17,905,692	17,905,692
Reserves	356,851	11,251
Accumulated losses	(5,409,343)	(4,618,376)
TOTAL EQUITY	12,853,200	13,298,567

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

MINDAX LIMITED
ABN 28 106 866 442

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	Contributed equity \$	Retained earnings \$	Option reserve \$	Total equity \$
Balance at 1 July 2008	10,270,579	(2,387,485)	28,700	7,911,794
Total comprehensive income for the half-year				
Profit for the half-year		(676,215)	-	(676,215)
<i>Other comprehensive income</i>		-	-	-
Total comprehensive income for the half-year		(676,215)	-	(676,215)
Contributions of Equity, net of transaction costs	7,635,113	-	-	7,635,113
Transactions with owners in their capacity as owners				
Share-based payment expense	-	-	(14,840)	(14,840)
Expiry of unexercised employee options		25,800	-	25,800
	17,905,692	(3,037,900)	13,860	14,881,652
Balance at 31 December 2008	17,905,692	(3,037,900)	13,860	14,881,652
Total comprehensive income for the half-year				
Profit for the half-year		(1,580,476)	-	(1,580,476)
<i>Other comprehensive income</i>		-	-	-
Total comprehensive income for the half-year		(1,580,476)	-	(1,580,476)
Transactions with owners in their capacity as owners				
Share-based payment expense	-	-	(2,609)	(2,609)
	17,905,692	(4,618,376)	11,251	13,298,567
Balance at 30 June 2009	17,905,692	(4,618,376)	11,251	13,298,567
Total comprehensive income for the half-year				
Profit for the half-year		(790,967)	-	(790,967)
<i>Other comprehensive income</i>		-	-	-
Total comprehensive income for the half-year		(790,967)	-	(790,967)
Transactions with owners in their capacity as owners				
Share-based payment expense	-	-	345,600	345,600
	17,905,692	(5,409,343)	356,851	12,853,200
Balance at 31 December 2009	17,905,692	(5,409,343)	356,851	12,853,200

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

MINDAX LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

	31.12.2009	31.12.2008
	\$	\$
Cash flows from operating activities		
Interest received	159,021	338,748
Interest and other costs of finance paid	(605)	(1,169)
Other revenue – R & D offsets received	-	-
Payments to suppliers and employees	(611,965)	(881,342)
Net cash outflow from operating activities	<u>(453,549)</u>	<u>(543,763)</u>
Cash flows from investing activities		
Payments for:		
Security deposit – business premises rental	-	(124,042)
Property, plant & equipment	(24,083)	(106,790)
Exploration expenditure	(1,822,597)	(1,167,429)
Recovery of exploration expenditure – JV Partner	536,709	333,438
Net cash outflow investing activities	<u>(1,309,971)</u>	<u>(1,064,823)</u>
Cash flows from financing activities		
Application for shares allotted	-	(5,816,284)
Proceeds from issues of shares	-	7,662,094
Transaction costs from issue of shares	(18,685)	(26,981)
Proceeds from borrowings	19,846	-
Repayment of borrowings	(10,722)	(58,755)
Net cash inflow by financing activities	<u>(9,561)</u>	<u>1,760,074</u>
Net increase/(decrease) in cash held	(1,773,081)	151,488
Net cash at beginning of the period	7,831,681	9,241,057
Net cash at the end of the period	<u>6,058,600</u>	<u>9,392,545</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

MINDAX LIMITED
ABN 28 106 866 442

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 1 – BASIS OF PREPARATION OF HALF-YEAR FINANCIAL STATEMENTS

These general purpose financial statements for the half-year reporting period ended 31 December 2009 have been prepared in accordance with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2009 and any public announcements made by Mindax Limited during the half-year 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, except as follows:

(1) Determination and presentation of operating segments

As of 1 January 2009 the Group determines and presents operating segments based on the information that is internally provided to the Managing Director, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of AASB 8 *Operating Segments*. Previously operating segments were determined and presented in accordance with AASB 114 *Segment Reporting*. The new accounting policy in respect of segment operating disclosures is presented as follows.

Comparative segment information has been represented in conformity with the transitional requirements of AASB 8. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Managing Director include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred on exploration expenditure, to acquire property, plant and equipment, and intangible assets other than goodwill.

(2) Presentation of financial statements

The Group applies revised AASB 1 *Presentation of Financial Statements (2007)*, which became effective as of 1 January 2009. As a result, the Group presents in the consolidated statement of changes in equity, whereas all non-owner changes are presented in the consolidated statement of comprehensive income. This presentation has been applied in these interim financial statements as of and for the six month period ended on 31 December 2009.

Comparative information has been re-presented so that it is also in conformity with the revised standard. Since the accounting policy only impacts presentation aspects, there is no impact on earnings per share.

MINDAX LIMITED
ABN 28 106 866 442

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 2 – SEGMENT INFORMATION

The group has adopted AASB 8 Operating Segments from 1 July 2009 whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes.

This has resulted in the segment being disaggregated into four reportable segments based on the minerals present in the Projects detailed in the Quarterly Activities Report released to the Australian Securities Exchange each quarter, prepared by the Managing Director. Based on the contents of this report, the four reportable segments identified are:

1. Uranium (Comprising the Yilgarn Avon Joint Venture – Palaeochannel Project)
2. Gold (Comprising the Meekatharra and Sandstone Wide Project)
3. Copper and Gold (Comprising the Yilgarn Avon Joint venture – Mortlock Project)
4. Iron Ore (Comprising the Mt Forrest and Panhandle Project)

Segment information provided to the executive management committee for the half-year ended 31 December 2009 is as follows:

Half-year ended 31 December 2009	Uranium \$	Gold \$	Copper and Gold \$	Iron Ore \$	Total \$
Total segment revenue	-	-	-	-	-
Intersegment revenue	-	-	-	-	-
Revenue from external customers	-	-	-	-	-
Reportable segment loss	-	-	-	-	-
Half-year ended 31 December 2008	Uranium \$	Gold \$	Copper and Gold \$	Iron Ore \$	Total \$
Total segment revenue	-	-	-	-	-
Intersegment revenue	-	-	-	-	-
Revenue from external customers	-	-	-	-	-
Reportable segment loss	-	-	-	-	-
Total segment assets					
31 December 2009	962,667	1,216,465	576,473	3,880,876	6,636,481
30 June 2009	710,895	1,169,421	619,542	2,921,835	5,421,693

MINDAX LIMITED
ABN 28 106 866 442

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 2 – SEGMENT INFORMATION (Continued)

Reconciliation of reportable segment loss to profit before income tax is as follows:

	Consolidated	
	31.12.2009	31.12.2008
	\$	\$
Total profit or loss for reportable segments	-	-
Intersegment eliminations	-	-
<u>Unallocated amounts</u>		
Finance costs	(605)	(1,169)
Interest revenue	124,549	338,748
Other revenue	193	20,812
Depreciation and amortisation	(29,441)	(20,489)
Share-based payments	(345,600)	(65,400)
Other expenses	(540,063)	(948,717)
Profit before income tax from continuing operations	<u>(790,967)</u>	<u>(676,215)</u>

Total asset amounts provided to the executive management committee are measured in the same way that they are measured in the financial statements. Segment assets are allocated based on the operations of the segment and the physical location of the assets.

NOTE 3 – CONTINGENT ASSETS AND LIABILITIES

Term deposits of \$33,000 have been temporarily secured by the Company's bankers to provide a bank guarantee of \$13,000 and \$20,000 in favour of the Minister for State Development as unconditional performance bonds on EL 57/619 and 57/555 respectively.

A term deposit of \$124,042 was secured by the Company's bankers to provide a bank guarantee in support of the lease agreement for the Company's business premises.

Since the last annual reporting date, there has been no other material change in any contingent liabilities or contingent assets.

NOTE 4 – DIVIDENDS

No dividends have been paid or declared since the start of the financial period, and none are recommended.

NOTE 5 – EQUITY SECURITIES ISSUED

	31.12.2009		31.12.2008	
	No.	\$	No.	\$
Issue of ordinary shares during the half-year:				
- pursuant to exercise of listed options at \$0.20 per share	-	-	30,538,713	6,107,743
- pursuant to underwriting agreement	-	-	<u>7,771,757</u>	<u>1,554,351</u>
	<u>-</u>	<u>-</u>	<u>38,310,470</u>	<u>7,662,094</u>

MINDAX LIMITED
ABN 28 106 866 442

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 6 – SHARE BASED PAYMENT

Share option programme

The current Mindax Limited Employee and Consultant Option Scheme ('EOS') was approved by shareholders at a general meeting held on 27 November 2008. The purpose of the EOS is to provide a means by which employees (including directors of the Company) and consultants, upon whom the responsibilities for the successful growth of the Company rest, can share in such growth and recognise the ability and efforts of those who have contributed to the success of the Company.

The main terms of the EOS include:

- Options are issued to selected Eligible Employees and Consultants for free;
- The allotment of options is at the discretion of the Board of Directors;
- Shares allotted on the exercise of the options are to be issued at an exercise price which is the greater of:
 - o 120% of the market value of the shares on the day the option is issued;
 - o 25 cents; or
 - o any greater exercise price determined by the Board and advised to the Employee or Consultant when Options are offered to the Employee or Consultant,
- Options expire 3 years after the grant date unless determined otherwise by the Board;
- Options are unlisted and not transferable except with prior written approval of the Board; and
- Options carry no dividend rights or voting rights.

During the six month periods ended on 31 December 2009 and 31 December 2008 the Company issued the following share based payments:

<u>Grant date / employees entitled</u>	<u>Number of instruments</u>	<u>Vesting conditions</u>	<u>Contractual life of options</u>
Period ended 31 December 2009			
Option grant to employees on 12 October 2009	300,000	Vested on 12 October 2009	3 years
Option grant to directors on 16 December 2009	1,500,000	The options will vest on 31 March 2010 on the basis that the Company has in place a JORC compliant resource for its Mt Forrest Iron Project by that date; otherwise the Options will lapse	2 years
Option grant to consultants on 16 December 2009	300,000	The options will vest on 31 March 2010 on the basis that the Company has in place a JORC compliant resource for its Mt Forrest Iron Project by that date; otherwise the Options will lapse	2 years

<u>Grant date / employees entitled</u>	<u>Number of instruments</u>	<u>Vesting conditions</u>	<u>Contractual life of options</u>
Period ended 31 December 2008			
Option grant to employees on 04 August 2008	250,000	Vested on 01 August 2009	3 years
Option grant to employees on 23 December 2008	660,000	Options lapsed	2 years 3 months

MINDAX LIMITED
ABN 28 106 866 442

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2009

NOTE 6 – SHARE BASED PAYMENT (Continued)

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes formula.

The model inputs for options granted during the six months ended 31 December 2009 included:

	300,000 Employee options issued 12 October 2009	1,500,000 Director options issued 16 Dec 2009	300,000 Consultant options issued 16 Dec 2009
Exercise price	\$0.48	\$0.60	\$0.60
Grant date	12 October 2009	16 December 2009	16 December 2009
Expiry date	12 October 2012	31 March 2012	31 March 2012
Share price at grant date	\$0.42	\$0.53	\$0.53
Expected price volatility of the Company's shares	100%	100%	100%
Expected dividend yield	0%	0%	0%
Risk-free interest rate	5.75%	5.75%	5.75%
Fair Value	\$0.261	\$0.297	\$0.297

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

NOTE 7– EVENTS SUBSEQUENT TO BALANCE DATE

On 15 December 2009, the Company announced details of a Share Purchase Plan (SPP) and a proposed bonus issue of options (bonus issue).

The SPP closed on 8 January 2010 with the Company receiving \$790,000 from eligible shareholders applying for 1,580,000 ordinary fully paid shares.

On 22 January 2010, a prospectus was lodged with regard to the bonus issue. Under the terms of the bonus issue, each eligible shareholder has received one bonus option (at no cost) for every two Mindax shares held as at the record date of 5pm AWST, 3 February 2010. Each bonus option has an exercise price of \$0.75 and an expiry date of 1 December 2011.

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the half-year, that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial periods.

MINDAX LIMITED
ABN 28 106 866 442

DECLARATION BY DIRECTORS

The directors of Mindax Limited declare that:

1. The financial statements, comprising the Statement of Comprehensive Income , Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b) Give a true and fair view of the consolidated entity's financial position, as represented by the results of its operations, changes in equity and its cash flows, as at 31 December 2009 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 consolidated entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



GREGORY JOHN BROMLEY
Director

Dated at PERTH this 26th day of February 2010



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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF MINDAX LIMITED

Matters Relating to the Electronic Presentation of the Half-Year Financial Report

This auditor's report relates to the half-year financial report of Mindax Limited for the period ended 31 December 2009 included on Mindax Limited's web site. The disclosing entity's directors are responsible for the integrity of Mindax Limited's web site. We have not been engaged to report on the integrity of Mindax Limited's web site. The auditor's review report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this half-year report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Mindax Limited, which comprises the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and 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 of the consolidated entity comprising the disclosing entity and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity 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 establishing and maintaining internal controls 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 and Other Financial Reports 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 disclosing entity's financial position as at 31 December 2009 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 Mindax Limited, 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*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's review report was made.

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 Mindax Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 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.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Peter Toll', with the BDO logo above it.

Peter Toll
Director

Signed in Perth, Western Australia
26 February 2010