

LINQ RESOURCES FUND

ARSN 108 168 190

HALF YEAR REPORT**APPENDIX 4D****HALF YEAR ENDED 31 DECEMBER 2012****1. Details of the Reporting Period****Half Year Ended ('current period')**

31 December 2012

Half Year Ended ('previous period')

31 December 2011

2. Results for announcement to the market**\$000**

2.1	Revenues	down	12%	to	2,460
2.2	Net profit/(loss) attributable to unitholders before tax	down	49%	to	(15,462)
2.3	Net profit/(loss) attributable to unitholders after tax	down	49%	to	(12,800)

2.4 Distributions**Amount per
ordinary
unit****Amount per
ordinary
unit****31 Dec 12****30 Jun 12**

Interim distribution	-	0.5 cents Fully franked
Franked amount	-	
Final distribution	n/a	2.5 cents Fully franked
Franked amount	n/a	

2.5 Record date for determining entitlements to the half year distribution

n/a

Date the half year distribution is payable

n/a

Commentary on Operating Income

The half year net loss from ordinary activities decreased from a loss of \$24.990 million for the half year ended 31 December 2011 to a net loss after income tax of \$12.800 million for the current half year.

Operating income was down in comparison with the previous period last year as a result of a continued down turn in global equity markets, in the second half of calendar 2012.

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3. Net tangible assets (“NTA”) per ordinary unit

The NTA per ordinary unit based on the net assets of the Fund at 31 December 2012 was \$0.84 compared to \$0.95 at 30 June 2012.

4. Controlled Entities

The Fund owns a wholly owned subsidiary Trust known as the LinQ Resources Fund No 2 (‘Fund 2’), of which LinQ Capital No 2 Pty Ltd is the sole Trustee. The Fund also owns all of the issued capital of LinQ Capital No 2 Pty Ltd. Fund 2 is a special purpose Trust that has been used to buy back 67,640,071 units in March 2008.

5. Distributions

The Fund paid a distribution of 2.5 cents per unit in respect of the year ended 30 June 2012, in August 2012.

No interim distribution was declared in respect of the half year ended 31 December 2012.

6. Distribution Reinvestment Plan

The Fund operates a distribution reinvestment plan.

7. Associates and Joint Venture Entities

The Fund does not have an interest in any associate or joint venture entities.

8. Foreign Accounting Standards

Not applicable

9. Audit

This report has been based on the attached accounts, which have been reviewed.

**FOR MORE INFORMATION PLEASE REFER TO THE ATTACHED
FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

LinQ Resources Fund

ARSN 108 168 190

Half Year Financial Report

31 December 2012

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LINQ RESOURCES FUND

DIRECTORS' REPORT 31 DECEMBER 2012

Directors' Report

The Directors of LinQ Capital Limited (ABN 66 098 197 258), the Responsible Entity of the LinQ Resources Fund ('the Fund'), submit their half year report for the Fund for the half year ended 31 December 2012.

DIRECTORS

The names of the Directors of the Responsible Entity in office during the half year and until the date of this report are:

Bruno Camarri AM - Chairman
Clive Donner – Managing Director
Graham Fariss
Nicholas Lattimore
Richard Procter
Tai Sook Yee – resigned 2 July 2012
Michael Chye – alternate Director to Tai Sook Yee – resigned 2 July 2012

The Directors were in office from the beginning of the financial period until the date of this report, unless otherwise stated.

PRINCIPAL ACTIVITY

The principal activity of the Fund during the period was to invest funds in accordance with the provisions of the Fund's Constitution.

The Fund specialises in investments in small to medium resources companies both in Australia and overseas. The Fund may invest in companies at all stages of development from exploration through to production, although the focus in pre cash flow companies is mostly on investment in companies in the later stage exploration and economic evaluation phases between discovery and completion of bankable feasibility studies.

FUND INFORMATION

The LinQ Resources Fund is an Australian registered managed investment scheme, and was established in March 2002. LinQ Capital Limited, the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 1, 17 Ord Street Street, West Perth, Western Australia, 6005.

RESULTS AND REVIEW OF OPERATIONS

The half year net loss from ordinary activities for the consolidated entity decreased to a net loss after tax of \$12.800 million for the current half year ended 31 December 2012 (31 December 2011: net loss after tax of \$24.990 million).

Major components of the net loss for the half year ended 31 December 2012 comprise change in fair value of investments in financial assets classified at fair value through the profit & loss totalling a loss of \$14.695 million as follows: -

- Unrealised losses in the net fair value of investments of \$17.662 million; and
- Net realised gains on sale of investments of \$2.967 million.

DISTRIBUTIONS

No distribution will be paid for the half year ended 31 December 2012. A distribution of 2.5 cents per unit in respect of the year ended 30 June 2012 was paid in August 2012.

FUND ASSETS

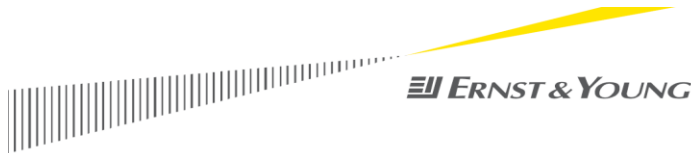
At 31 December 2012 the Consolidated entity held net assets to a total value of \$96.947 million (30 June 2012: \$109.353 million).

LINQ RESOURCES FUND

DIRECTORS' REPORT 31 DECEMBER 2012

AUDITOR INDEPENDENCE DECLARATION

The Directors have obtained the following Independence Declaration from the auditor of the LinQ Resources Fund:



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11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843
Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
www.ey.com/au

Auditor's Independence Declaration to the Directors of LinQ Resources Fund

In relation to our review of the financial report of LinQ Resources Fund for the half-year ended 31 December 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

A handwritten signature in black ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to read 'T G Dachs'.

T G Dachs
Partner
Perth
25 February 2013

TD-PB-LinQ-2013-078

Liability limited by a scheme approved
under Professional Standards Legislation

Signed in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Clive Donner'.

Clive Donner
Director
Perth, 25 February 2013

LINQ RESOURCES FUND

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Note	Half Year Ended 31 December 2012 \$000	Half Year Ended 31 December 2011 \$000
Income			
Dividend income		222	932
Royalty income		263	161
Finance income		1,396	712
Other income		579	86
Foreign exchange gain		-	914
Total investment income		2,460	2,805
Expenses			
Change in fair value of investments in financial assets classified at fair value through the profit & loss	2	14,695	30,482
Administration expenses		572	352
Directors' fees and expenses		105	167
Foreign exchange loss		685	-
Fund promotion		79	163
Legal and professional fees		798	289
Manager's fees		988	1,459
Total expenses		17,922	32,912
Net (loss)/ profit before income tax		(15,462)	(30,107)
Income tax benefit/(expense)		2,662	5,117
Net (loss)/profit after income tax		(12,800)	(24,990)
Other comprehensive income		-	-
Total comprehensive (loss)/income for the year		(12,800)	(24,990)
Basic (loss)/earnings per unit (cents)		(7.0)	(13.6)
Diluted (loss)/earnings per unit (cents)		(7.0)	(13.6)

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

LINQ RESOURCES FUND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

		31 December 2012 \$000	30 June 2012 \$000
Assets	Note		
Cash and cash equivalents	3	35,144	25,408
Trade and other receivables		170	940
Investments in financial assets	4	59,424	86,545
Deferred tax assets		2,965	-
Total assets		97,703	112,893
Liabilities			
Distribution payable	5	-	2,882
Trade and other payables	6	98	112
Income tax payable		658	207
Deferred tax liabilities		-	339
Total liabilities		756	3,540
Net assets		96,947	109,353
Equity			
Issued capital		56,697	56,303
Retained earnings		40,250	53,050
Total equity		96,947	109,353
Net tangible assets per ordinary unit (\$)		0.84	0.95

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

LIQ RESOURCES FUND

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	Issued Capital \$000	Undistributed income \$000	Total \$000
At 1 July 2011	56,428	93,319	149,747
Profit for the period	-	(24,990)	(24,990)
Other comprehensive income	-	-	-
Comprehensive income for the half year	-	(24,990)	(24,990)
Units issued - distribution reinvestment plan	526	-	526
Unit buyback	(646)	-	(646)
Distributions paid and payable	-	-	-
At 31 December 2011	56,308	68,329	124,637
At 1 July 2012	56,303	53,050	109,353
Profit for the period	-	(12,800)	(12,800)
Other comprehensive income	-	-	-
Comprehensive income for the half year	-	(12,800)	(12,800)
Units issued - distribution reinvestment plan	394	-	394
Distributions paid and payable	-	-	-
At 31 December 2012	56,697	40,250	96,947

LINQ RESOURCES FUND

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

	Half Year Ended 31 December 2012 \$000	Half Year Ended 31 December 2011 \$000
Cash flows from operating activities		
Interest received	1,247	685
Dividend income received	222	932
Other income received	982	161
GST paid	(19)	(23)
Manager's fees paid	(988)	(1,458)
Income tax paid	(191)	(8,787)
Other expenses paid	(1,567)	(987)
Net cash outflow from operating activities	(314)	(9,477)
Cash flows from investing activities		
Payments for investments	(10,608)	(17,401)
Proceeds from sale of investments	23,146	2,960
Net cash (outflow)/inflow from investing activities	12,538	(14,441)
Cash flows from financing activities		
Proceeds from issue of units	394	526
Unit buyback	-	(650)
Distribution paid	(2,882)	(3,463)
Net cash outflow from financing activities	(2,488)	(3,587)
Net (decrease)/increase in cash held	9,736	(27,505)
Cash at the beginning of the half year	25,408	37,077
Cash at the end of the half year	35,144	9,572

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

LINQ RESOURCES FUND

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

1. CORPORATE INFORMATION

The financial report of the LinQ Resources Fund ('the Fund') for the half-year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors of LinQ Capital Limited, in its capacity as responsible entity of the Fund, on 25 February 2013. The Fund is an Australian Registered Scheme, constituted on 8 March 2002. The Fund will terminate on 7 March 2082 unless terminated earlier in accordance with provisions of the Constitution.

LinQ Capital Limited, the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 1, LinQ House, 17 Ord Street, West Perth WA 6005.

The nature of the operations and principal activities of the Fund are described in the accompanying Directors' Report.

BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of Preparation

The half-year financial report is a general-purpose condensed financial report, which has been prepared in accordance with the Fund's Constitution, requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting.

The financial report has been prepared on a historical cost basis, except for the valuation of investments in financial assets at fair value through Profit & Loss.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets. The amounts expected to be recovered and settled in relation to these balances cannot be reliably determined.

The half-year condensed financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Fund as the full financial report.

The half-year condensed financial report should be read in conjunction with the annual financial report of the Fund as at 30 June 2012.

It is also recommended that the half-year condensed financial report be considered together with any public announcements made by the Fund during the half-year ended 31 December 2012 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001 and ASX Listing Rules.

The condensed financial report is presented in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Fund under the ASIC Class Order 98/0100. The Fund is an entity to which the Class Order applies.

For the purpose of preparing the half-year condensed financial report, the half-year has been treated as a discrete reporting period.

Apart from the changes in accounting policy noted in 1(d) below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

LINQ RESOURCES FUND

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

(b) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the LinQ Resources Fund and its wholly owned subsidiary Trust, the LinQ Resources Fund No 2, as at 31 December 2012 (the Group).

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

The financial statements of the subsidiary Trust are prepared for the same reporting period as the parent, using consistent accounting policies.

In preparing the consolidated financial statements, all inter-trust balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

A subsidiary is fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

(c) Comparative Figures

Where necessary, comparatives have been reclassified and repositioned for consistency with current period disclosures.

(d) Adoption of New and Revised Accounting Standards and Interpretations

In the current period, the LinQ Resources Fund has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board relevant to its operations and effective for the reporting period commencing on 1 July 2012. The adoption of those new and revised Standards and Interpretations has not resulted in any changes to the Fund's accounting policies.

Adoption of these standards and interpretations did not have any effect on the financial position or performance of the Fund.

The Fund has not elected to early adopt any new standard or amendment.

LINQ RESOURCES FUND

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

	31 December 2012 \$000	31 December 2011 \$000
2. Change in fair value of investments in financial assets classified at fair value through the profit & loss		
- Unrealised (loss)/gains in net fair value of investments	(17,662)	(32,636)
- Realised gains on sale of investments	3,327	2,251
- Realised losses on sale of investments	(360)	(97)
	<u>(14,695)</u>	<u>(30,482)</u>
	31 December 2012 \$000	30 June 2012 \$000
3. Cash and cash equivalents		
For the purposes of the Balance Sheet and Cash Flow Statement, cash and cash equivalents comprise:		
- Cash at bank	35,144	25,408
	<u>35,144</u>	<u>25,408</u>
Cash at bank and in hand earn interest at floating rates based on daily bank deposit rates. The fair value of cash and cash equivalents is \$35,144,000 (2012: \$25,408,000).		
4. Investments in financial assets	31 December 2012 \$000	30 June 2012 \$000
(i) At fair value through profit and loss		
<i>Listed securities</i>		
- Listed equities	49,729	49,595
<i>Unlisted securities</i>		
- Options on convertible notes	-	31
- Unlisted equities	7,109	18,928
- Convertible notes	-	6,847
- Other financial asset	2,886	2,719
Total at fair value through profit and loss	<u>59,724</u>	<u>78,120</u>
(ii) At amortised cost		
Loans & Receivables		
- Convertible notes ¹	(300)	8,425
Total at amortised cost	<u>(300)</u>	<u>8,425</u>
	<u>59,424</u>	<u>86,545</u>

¹ Carrying value of the loans & receivables approximate their fair value

There have been no transfers between the fair value hierarchy levels. There have been no changes in the classification of financial assets as a result of a change in purpose or use.

LINQ RESOURCES FUND

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

5. Distributions payable	31 December 2012 \$000	30 June 2012 \$000
(a) Distribution payable		
- for year ended 31 Dec 2012	-	2,882
	-	2,882
(b) Per unit distribution		
- for year ended 31 Dec 2012	-	0.025

6. Trade and other payables	31 December 2012 \$000	30 June 2012 \$000
Trade creditors	58	8
Other fees payable	40	104
	98	112

7. Movement in units on issue	31 December 2012 Number '000	31 December 2012 \$000	31 December 2011 Number '000	31 December 2011 \$000
(a) Units on issue				
Units on issue as at beginning of financial year	182,926	161,922	183,046	162,047
Units issued pursuant to the distribution reinvestment plan	653	394	801	526
Unit buyback on-market	-	-	(899)	(646)
Treasury Stock	(67,640)	(105,619)	(67,640)	(105,619)
Units on issue as at the financial half year end	115,939	56,697	115,308	56,308

LINQ RESOURCES FUND

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

8. Segment Information

For management purposes, the Fund is organised into one main operating segment, which invests in equity securities, debt instruments and related derivatives. All of the Fund's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

9. Events after the Reporting Date

On 13 September 2012, LinQ Capital Limited as Responsible Entity for the LinQ Resources Fund ('LRF') announced that it had entered into a Bid Implementation Agreement with IMC Resources Holdings Pte Ltd ('IMC') in relation to a recommended off-market takeover bid by IMC for all the units in LRF it did not already own ('the Offer'). At the date of signing this Half Year Financial Report, the Offer from IMC, after a number of extensions, is due to close on 18 March 2013. With the exception of the Offer, there has not been any matter or circumstance arising after 31 December 2012, not otherwise dealt with in the financial report that has significantly affected or may significantly affect the Fund.

10. Commitments and Contingencies

LinQ Capital Limited as Responsible Entity for the LinQ Resources Fund has no commitments or contingencies.

11. Related Parties

(a) Responsible Entity

The Responsible Entity is LinQ Capital Limited ("LinQ"). LinQ is responsible for the day-to-day management of the Fund. Effective 10 March 2004 LinQ received its Australian Financial Services Licence ("AFSL"). LinQ's licence is broadly for the provision of general advice to retail persons and personal advice to wholesale persons and entities, dealing in financial products and the operation of a registered scheme. Perpetual Corporate Trust Limited is the custodian of the Fund.

(b) Directors

The names of the persons who were Directors of LinQ at any time during the half year ended 31 December 2012 and up to the date of this report were as follows: Mr Bruno Camarri, Mr Clive Donner, Mr Graham Fariss, Mr Nicholas Lattimore, Mr Richard Procter, Ms Tai Sook Yee (resigned 2 July 2012) and Mr Michael Chye (alternate Director for Ms Tai Sook Yee, resigned 2 July 2012).

(c) Fees and reimbursements

Management fees

- Under the Fund Constitution, the Responsible Entity is entitled to receive fees monthly in advance calculated at 1.75% (exclusive of GST) per annum on Gross Asset Value as defined under the Fund Constitution.

Management fees, excluding GST, paid to the Responsible Entity for the half year ended 31 December.

- \$987,599 (2011: \$1,458,701) to LinQ Capital Limited.

LINQ RESOURCES FUND

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

Performance fee

- Under the Fund Constitution, the Responsible Entity is also entitled to an annual performance fee, which is determined by reference to the prescribed formula in the Constitution. The performance fee is payable when the performance of the Fund, as measured under the requirements of the Constitution, over the performance calculation period exceeds the performance of the Small Resources Accumulation Index over the same performance calculation period. The Responsible Entity's performance fee is calculated at end of the half-year and financial year and is payable after the end of the financial year, and after the auditor's review of the calculation, on a date determined by the Responsible Entity.

Performance fee, excluding GST, payable to the Responsible Entity for the half-year is:

- \$Nil (2011: \$Nil) to LinQ Capital Limited.

Reimbursed expenses from the Fund

During the half year the Responsible Entity incurred certain expenses on behalf of the Fund of \$412,471 (2011: \$430,879). These costs were reimbursed by the Fund in accordance with the Fund's Constitution.

Reimbursed directors fees from the Fund

The Board determines the aggregate level of director's fees to be paid. During the half year ended 31 December 2012 fees of \$105,000 (2011: \$167,496) was paid or is payable to LinQ Capital Limited as a reimbursement of Director's fees for non-executive Board members. These amounts are included in the above reimbursed expenses.

(d) Related party transactions

Transactions between the Fund and the Responsible Entity during the half-year are outlined in note 11(c) above.

The following transactions with other related parties occurred during the half year.

- Mr Clive Donner is a Director and has an indirect interest in LinQ Capital Limited (the Responsible Entity) and LinQ Management Pty Ltd (the Investment Manager). LinQ Capital Limited receives a benefit as Responsible Entity of the Fund and LinQ Management Pty Ltd has an interest in LinQ Resources Fund pursuant to the rights and obligations under the Investment Management Agreement.
- LinQ Capital Limited received \$987,599 (2011: \$1,458,701) excluding GST, for the management of the Fund and is entitled to receive a performance fee of \$Nil (2011: \$Nil). LinQ Capital Limited is a wholly owned entity of Ashdon Nominees Pty Ltd, a company in which Mr Clive Donner is a Director.
- Mr Bruno Camarri was a former Partner and is now a consultant to Herbert Smith Freehills, a legal firm. During the half year ended 31 December 2012 the Fund paid Herbert Smith Freehills the amount of \$404,533 (2011: \$73,594) in legal expenses. Mr Camarri was paid a consulting fee of \$120,181 (2011: \$Nil), in addition to his Director's fee.

All related party transactions are made in arms length transactions on normal commercial terms and conditions. Outstanding balances at period end are unsecured and settlement occurs in cash.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of LinQ Capital Limited, the responsible entity for the LinQ Resources Fund, I state that:

In the opinion of the Directors:

(a) the financial statements and notes of the Fund are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Fund's financial position as at 31 December 2012 and of its performance, as represented by the results of its operations and its cash flows for the half year ended on that date; and

(ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001;

(b) there are reasonable grounds to believe that the Fund will be able to pay its debts as when they become due and payable;

(c) the financial statements as presented are in accordance with the provisions of the Fund's Constitution.

**On behalf of the Board
LinQ Capital Limited**



Clive Donner
Director
Perth, 25 February 2013



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11 Mounts Bay Road
Perth WA 6000 Australia
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Independent review report to unit holders of LinQ Resources Fund

Report on the 31 December 2012 Half-Year Financial Report

We have reviewed the accompanying half-year financial report of LinQ Resources Fund (the "Fund"), which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Fund 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 Responsible Entity 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 internal controls as the directors determine are 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 [period date] 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 LinQ Resources Fund and the entities it controlled during the half-year, 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 have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.



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 LinQ Resources Fund 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 the *Corporations Regulations 2001*.

A handwritten signature in black ink, appearing to read "Ernst & Young".

Ernst & Young

A handwritten signature in black ink, appearing to read "T G Dachs".

T G Dachs
Partner
Perth
25 February 2013

LINQ RESOURCES FUND

MANAGEMENT AND ADMINISTRATION DIRECTORY

RESPONSIBLE ENTITY

LinQ Capital Limited
Australian Financial Services Licence 239785

MANAGER

LinQ Management Pty Ltd

REGISTERED OFFICE

Level 1, LinQ House, 17 Ord Street, West Perth WA 6005
Telephone: +61 (0)8 9488 8888 Fax: +61 (0)8 9481 0666

UNIT REGISTRY

Computershare Investor Services Pty Ltd, 452 Johnstone Street, Abbotsford VIC 3067
Telephone: +61 (0)3 9415 5000 Fax: +61 (0)3 9473 2500

OPERATING OFFICE

LinQ Capital Limited
Level 1, LinQ House, 17 Ord Street, West Perth WA 6005
Telephone: +61 (0)8 9488 8888 Fax: +61 (0)8 9481 0666

DIRECTORS OF THE RESPONSIBLE ENTITY

Mr Bruno Camarri AM
Mr Clive Donner
Mr Graham Fariss
Mr Nicholas Lattimore
Mr Richard Procter

SECRETARY OF THE RESPONSIBLE ENTITY

Mr Simon Durack JP
Level 1, 17 Ord Street, West Perth WA 6005

CUSTODIAN

Perpetual Corporate Trust Limited
Level 12, Angel Place, 123 Pitt Street, Sydney NSW 2000

AUDITORS AND TAX ADVISERS TO THE FUND

Ernst & Young
11 Mounts Bay Road, Perth WA 6000