



AMCIL LIMITED

ABN 57 073 990 735

APPENDIX 4D STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

CONTENTS

- Results for announcement to the market
- Media Release
- Appendix 4D Accounts
- Independent Auditors' Review Report

This half-year report is presented under listing rule 4.2A and should be read in conjunction with the Company's 2010 Annual Report.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

The reporting period is the half-year ended 31 December 2010 with the previous corresponding period being the half-year ended 31 December 2009.

Results for announcement to the market

- Net Operating Profit before net gains on investments was \$3.3 million, up 18.9% from \$2.8 million in the previous corresponding period.
- Reported Profit for the half-year was \$5.0 million, up 21.1% from the previous corresponding period. This figure includes unrealised gains or losses on puttable instruments in the investment portfolio and on open options positions. The previous corresponding period's reported profit of \$4.2 million has been restated to include unrealised gains on puttable instruments. It also included realised capital gains on the Company's investment portfolio until the adoption of the new accounting standard AASB 9 on 7 December 2009.
- Revenue from investments was \$3.8 million, up 33.9% from \$2.8 million in the previous corresponding period.
- Net tangible asset backing per share before any provision for tax on unrealised gains at 31 December 2010 was 79 cents per share, up from 74 cents at the end of the previous corresponding period. This figure is before accounting for the Company's Share Purchase Plan, which raised \$7.1 million of additional capital and resulted in 11.2 million new shares being issued on 5 January 2011.
- A final dividend of 2 cents per share (fully franked) in respect of the financial year ended 30 June 2010 was paid on 27 August 2010.
- In line with the Company's previous practice, no interim dividend has been declared in respect of the half year ended 31 December 2010.



PORTFOLIO OUTPERFORMS AS MARKET GAINS MOMENTUM

MEDIA RELEASE - HALF YEAR RESULT TO 31 DECEMBER 2010

24 January 2011

AMCIL's portfolio return over the six months to 31 December 2010 was an increase of 15.2 per cent compared to the broader Australian equity market which increased by 12.8 per cent. This reflects the benefit of AMCIL's investment approach which allows it to include companies from across the entire market in a concentrated portfolio in ways that can materially impact performance.

In particular, share prices of companies in the resources and resource related services sectors have been very strong. In this context AMCIL's portfolio benefited from the gains in holdings such as Iluka Resources, BHP Billiton, Pan Australian Resources, Bradken, Alumina and Campbell Brothers. Other companies to generate sound returns in this period were Hastings Diversified Utility Fund, Mitchell Communications, which was taken-over by Aegis Group Plc, Transurban, Brambles, Victoria Petroleum and Oil Search.

The Net Operating Profit for the half increased to \$3.3 million from \$2.8 million last year, an increase of 18.9 percent. This increase was a result of two factors. The first was the lift in dividends received as many companies, particularly the banks, restored dividends toward pre financial crises levels. Secondly the portfolio was larger following investment of funds raised in the share purchase plan in December 2009.

Reported Profit for the half was \$5.0 million versus \$4.2 million over the corresponding period last year. These figures include the movement in the unrealised value of the Company's investment in Hastings Diversified Utilities Fund, which is required under current accounting standards.

In line with the Company's previous practice the Board has not declared an interim dividend.

AMCIL made a number of purchases over the six months to 31 December 2010, many of which were through placements. Major purchases during the period were in iSelect, which is currently unlisted, Victoria Petroleum, ANZ Banking Group, Trust Company, Amalgamated Holdings, Eastern Star Gas and Australian Infrastructure Fund. iSelect and Amalgamated Holdings are new to the portfolio.

The market moves into the second half of the financial year with some renewed confidence in global growth emerging. AMCIL has completed another successful share purchase plan in January 2011 which raised just over \$7 million. As a result the Company has \$8 million of cash to invest, which is approximately 5 percent of the total portfolio. Whilst the recent momentum in the market has been in the resources and related sectors the share price performance of many companies with attractive long term business models have not been as strong. In our view, for a thematic investor like AMCIL, this is likely to provide opportunities to invest these funds at attractive valuations as we move into the remainder of the financial year.

Please direct any enquiries to:

Bruce Teele
Chairman
(03) 9679 1361

Ross Barker
Managing Director
(03) 9924 0380

Geoff Driver
General Manager
(03) 9679 1659

MAJOR TRANSACTIONS IN THE INVESTMENT PORTFOLIO

Acquisitions (above \$500,000)	Cost \$'000
iSelect*	1,500
Victoria Petroleum	1,485
ANZ Banking Group	1,267
Trust Company	936
Amalgamated Holdings*	750
Eastern Star Gas	689
Australian Infrastructure Fund	625

Disposals (above \$500,000)	Proceeds \$'000
Mitchell Communications^	4,309
PrimeAg Australia	654

* New holding

^ Taken over by Aegis Group Plc

TOP INVESTMENTS AS AT 31 DECEMBER 2010

Includes investments held in both the Investment and Trading Portfolios

Valued at closing prices at 31 December 2010

		Total Value \$ '000
1	Hastings Diversified Utilities Fund	9,831
2	BHP Billiton	9,050
3	Commonwealth Bank of Australia	8,954
4	Westpac Banking Corporation	8,152
5	National Australia Bank	6,333
6	Transurban Group	6,318
7	Bradken	6,307
8 *	Australia & New Zealand Banking Group	5,552
9	QBE Insurance Group	5,369
10	Telstra Corporation	4,749
11	Iluka Resources	4,570
12	Peet	4,533
13	Tox Free Solutions	4,478
14	ASG Group	4,333
15	Oil Search	4,287
16	Australian Infrastructure Fund	4,155
17	REA Group	4,126
18	Brambles	3,916
19	Amcor	3,822
20	Coca-Cola Amatil	3,801
		112,637
	As % of Total Portfolio (excludes Cash)	72.8%

*Indicates that options were outstanding against all or part of the holding



AMCIL LIMITED

ABN 57 073 990 735

HALF-YEAR REPORT 31 DECEMBER 2010

COMPANY PARTICULARS

AMCIL Limited (“AMH”)

ABN 57 073 990 735

AMCIL is a Listed Investment Company. It is an investor in equities and similar securities on the stock market primarily in Australia.

Directors: Bruce Teele, Chairman
Ross Barker, Managing Director
Peter Barnett
Terry Campbell AO
Rupert Myer AM
Richard (Bob) Santamaria
Stan Wallis AC

Company Secretaries: Simon Pordage
Andrew Porter

Auditor: PricewaterhouseCoopers, Chartered Accountants

Country of incorporation: Australia

Registered office: Level 21
101 Collins Street
Melbourne, Victoria 3000

Contact Details: Mail Address: GPO Box 2114, Melbourne, Victoria 3001
Telephone: (03) 9650 9911
Facsimile: (03) 9650 9100
Email: invest@amcil.com.au
Internet address: www.amcil.com.au

For enquiries regarding net asset backing (as advised each month to the Australian Securities Exchange):

Telephone: 1800 780 784 (toll free)

Share Registrar: Computershare Investor Services Pty Limited
Mail Address: GPO Box 2975EE, Melbourne, Victoria 3000
Yarra Falls, 452 Johnston Street, Abbotsford, Victoria 3067

AMH Shareholder
enquiry line: 1300 653 916
+613 9415 4224 (from overseas)
Facsimile: (03) 9473 2500
Email: web.queries@computershare.com.au
Internet: www.computershare.com.au

For all enquiries relating to shareholdings, dividends and related matters, please contact the share registrar as above.

Stock Exchange Code: AMH Ordinary shares

DIRECTORS' REPORT

This report in relation to the half-year to 31 December 2010 is presented by the Directors of AMCIL Limited ('the Company') in accordance with a resolution of Directors.

Directors

The following persons were directors of the Company during the half-year and up to the date of this report:

B.B. Teele (appointed December 2003)
R.E. Barker (appointed May 1996)
P.C. Barnett (appointed August 1996)
T.A. Campbell AO (appointed May 1996)
R.H. Myer AM (appointed January 2000)
R.B. Santamaria (appointed August 1996)
S.D.M. Wallis AC (appointed March 2004)

Company operations and results

Overview

Since 2003, the Company has been a thematic investor primarily in securities listed on the Australian Securities Exchange.

Performance Indicators and Outcomes

The net operating profit, which excludes unrealised gains or losses from open options positions and realised gains on investments, was \$3.3 million for the six months ended 31 December 2010, up from \$2.8 million last year, an increase of 18.9%. The net operating profit for the six months was equivalent to 1.69 cents per share.

Reported profit after tax, which includes unrealised gains or losses from open options positions and puttable instruments in the investment portfolio was \$5.0 million, up 21.1% from the previous corresponding period. The profit for the comparative period also included realised gains on sales from the investment portfolio until 7 December 2009 which was the date of the adoption of a new accounting standard dealing with, amongst other things, the treatment of realised gains and losses from sales from the investment portfolio. The comparative period figures have been restated to include unrealised gains on puttable instruments (see Note 10 to the financial statements).

A key component of earnings was distributions from the companies in which we invest of \$3.7 million. Of this amount, \$2.7 million was from the receipt of fully franked dividends.

The Board has decided not to declare an interim dividend.

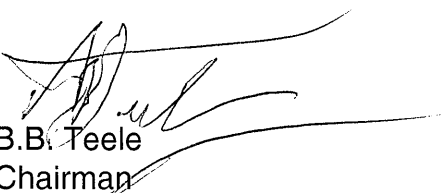
Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 10.

Rounding of amounts

The Company is of the 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 and financial report. Unless specifically stated otherwise, amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of the directors.



B.B. Teele

Chairman

Melbourne

24 January 2011

PricewaterhouseCoopers
ABN 52 780 433 757

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2 Southbank Boulevard
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Auditor's Independence Declaration

As lead auditor for the review of AMCIL Limited for the half year ended 31 December 2010, I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of AMCIL Limited during the period.



David Coogan
Partner
PricewaterhouseCoopers

Melbourne
24 January 2011

INCOME STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Note	Half-year 2010 \$'000	Half-year 2009 \$'000
Dividends and distributions		3,723	2,565
Revenue from deposits and bank bills		65	263
Total revenue		3,788	2,828
Net gains/(losses) on trading portfolio		253	562
Realised gains/(losses) from options written portfolio		20	-
Other income		-	48
Income from operating activities		4,061	3,438
Finance costs		(48)	-
Administration expenses		(601)	(591)
Operating profit before income tax expense		3,412	2,847
Income tax expense*		(84)	(48)
Net operating profit for the half-year		3,328	2,799
Net gains/(losses) on investments			
Net gains/(losses) on open options positions		(11)	-
Deferred tax on net gains/losses on open options positions*		3	-
Net gains on puttable instruments		2,459	1,194
Tax on net gains on puttable instruments*		(738)	(358)
Net gains on securities sold from the investment portfolio before 7 December 2009		-	526
		1,713	1,362
Profit for the half-year		5,041	4,161
		Cents	Cents
Basic earnings per share	7	2.56	2.31
		Half-year 2010 \$'000	Half-year 2009 \$'000
* Total Tax Expense		819	406

This Income Statement should be read in conjunction with the accompanying notes.

STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Half-Year to 31 December 2010			Half-Year to 31 December 2009		
	Revenue \$'000	Capital \$'000	Total \$000	Revenue \$'000	Capital \$'000	Total \$'000
Net Profit	3,328	1,713	5,041	2,799	1,362	4,161
Other Comprehensive Income						
Unrealised gains/(losses) for the period on securities in the portfolio on 31 December (excl. puttable instruments)	-	13,632	13,632	-	25,617	25,617
Deferred tax expense on above	-	(4,681)	(4,681)	-	(4,719)	(4,719)
Plus gains/(losses) for the period on securities realised before 7 December 2009	-	-	-	-	267	267
Plus gains for the period on securities realised after 7 December 2009	-	1,500	1,500	-	306	306
Transfer to Income Statement of cumulative gains on investments realised prior to 7 December 2009	-	-	-	-	(526)	(526)
Total Other Comprehensive Income¹	-	10,451	10,451	-	20,945	20,945
Total comprehensive income²	3,328	12,164	15,492	2,799	22,307	25,106

¹ These are the net capital gains/(losses) not recorded through the Income Statement.

² This is the company's Net Return for the year, which includes the Net Operating Profit plus the net realised and unrealised gains or losses on the Company's investment portfolio and net gains/(losses) on open options positions.

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 31 DECEMBER 2010

	Note	31 Dec 2010 \$'000	30 June 2010 \$'000
Current assets			
Cash		1,035	4,955
Receivables		470	1,046
Trading portfolio		5,578	5,095
Total current assets		7,083	11,096
Non-current assets			
Investment portfolio		149,059	126,484
Deferred tax assets		142	264
Total non-current assets		149,201	126,748
Total assets		156,284	137,844
Current liabilities			
Payables		561	851
Tax payable		118	159
Options written		-	69
Total current liabilities		679	1,079
Non-current liabilities			
Deferred tax liabilities - investment portfolio	4	7,402	1,983
Total non-current liabilities		7,402	1,983
Total liabilities		8,081	3,062
Net Assets		148,203	134,782
Shareholders' equity			
Share Capital	5	122,273	120,447
Revaluation Reserve		22,222	11,500
Retained Profits		3,708	2,835
Total shareholders' equity		148,203	134,782

This Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

Half-Year 2010

	Note	Share Capital \$000	Revaluation Reserve \$000	Retained Profits \$'000	Total \$'000
Total equity at the beginning of the half-year		120,447	11,500	2,835	134,782
Dividends paid	6	-	-	(3,897)	(3,897)
Shares issued - Dividend Reinvestment Plan		1,826	-	-	1,826
Total transactions with share-holders		1,826	-	(3,897)	(2,071)
Profit for the half-year		-	1,721	3,320	5,041
<i>Other Comprehensive Income for the half-year</i>					
Net unrealised gains for the period for investments held at 31 December		-	8,951	-	8,951
Net gains for the period on investments realised		-	1,500	-	1,500
Transfer to Retained Profits of cumulative gains on investments realised		-	(1,450)	1,450	-
Other Comprehensive Income for the half-year		-	9,001	1,450	10,451
Total equity at the end of the half-year		122,273	22,222	3,708	148,203

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

STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2010 (CONT.)

Half-Year 2009	Note	Share Capital \$000	‘Impairment’ Revaluation Charge Reserve \$000	Revaluation Reserve \$000	Retained Profits \$’000	Total \$’000
Total equity at the beginning of the half-year as reported		109,135	(5,085)	1,969	634	106,653
Adoption of AASB 9		-	5,085	(5,085)	-	-
Restated total equity at the beginning of the half-year		109,135	-	(3,116)	634	106,653
Dividends paid	6	-	-	-	(3,538)	(3,538)
Shares issued - Dividend Reinvestment Plan		1,475	-	-	-	1,475
- Share Purchase Plan		9,894	-	-	-	9,894
Other Share Capital Adjustments		(36)	-	-	-	(36)
Total transactions with share-holders		11,333	-	-	(3,538)	7,795
Profit for the half-year		-	-	836	3,325	4,161
Other Comprehensive Income for the half-year						
Net unrealised gains for the period for investments held at 31 December (excl. puttable instruments)		-	-	20,898	-	20,898
Net gains for the period for investments realised before 7 December 2009		-	-	267	-	267
Net gains for the period for investments realised after 7 December 2009		-	-	306	-	306
Transfer to Income Statement of cumulative gains on investments realised before 7 December 2009		-	-	(526)	-	(526)
Transfer to Retained Profits of cumulative gains on investments realised after 7 December 2009		-	-	(396)	396	-
Other Comprehensive Income for the half-year		-	-	20,549	396	20,945
Total equity at the end of the half-year		120,468	-	18,269	817	139,554

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

CASH FLOW STATEMENT FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

	Half-year 2010 \$'000 INFLOWS/ (OUTFLOWS)	Half-year 2009 \$'000 INFLOWS/ (OUTFLOWS)
Cash flows from operating activities		
Sales from trading portfolio	1,737	2,280
Purchases for trading portfolio	(1,787)	(5,047)
Interest received	82	258
Proceeds from entering into options in options written portfolio	-	-
Payment to close out options in options written portfolio	(60)	-
Dividends and distributions received	3,037	1,517
	<u>3,009</u>	<u>(992)</u>
Administration expenses	(594)	(587)
Finance costs paid	(51)	-
Taxes paid	-	(88)
Other receipts	-	48
Net cash inflow/(outflow) from operating activities	<u>2,364</u>	<u>(1,619)</u>
Cash flows from investing activities		
Sales from investment portfolio	6,400	2,399
Purchases for investment portfolio	(10,613)	(11,509)
Net cash inflow/(outflow) from investing activities	<u>(4,213)</u>	<u>(9,110)</u>
Cash flows from financing activities		
Share issues under Share Purchase Plan	-	9,894
Share issues under Dividend Reinvestment Plan	1,833	1,475
Share issues transaction costs	(7)	(36)
Dividends paid	(3,897)	(3,538)
Net cash inflow/(outflow) from financing activities	<u>(2,071)</u>	<u>7,795</u>
Net increase/(decrease) in cash held	(3,920)	(2,934)
Cash at the beginning of the half-year	4,955	21,975
Cash at the end of the half-year	<u>1,035</u>	<u>19,041</u>

This Cash Flow Statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2010

1. Basis of preparation of half-year financial report

This general purpose half-year financial report has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. This report should be read in conjunction with the 2010 Annual Report and public announcements made by the Company during the half-year, in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The Company has attempted to improve the transparency of its reporting by adopting 'plain English' where possible. Key 'plain English' phrases and their equivalent AASB terminology are as follows:

Phrase	AASB Terminology
Market Value	Fair Value for Actively Traded Securities as quoted on the ASX

2. Financial reporting by segments

The Company operates as a Listed Investment Company in Australia. It has no reportable business or geographic segments.

3. Trading portfolio

The Company enters into option contracts in the trading portfolio for the purpose of enhancing returns, offsetting risk or providing opportunities to acquire or sell securities at advantageous prices.

As at balance date there were call options outstanding which potentially required the Company, if they were exercised, to deliver securities to the value of \$0.8 million (30 June 2010 : \$3.4 million).

4. Deferred tax liabilities – investment portfolio

At balance date, the Company had unused losses on the sale of investments available to set-off against future capital gains of \$6.3 million (30 June 2010: \$7.3 million). During the half-year, \$1.0 million worth of brought forward losses were applied to realised capital gains.

The Deferred Tax liability of \$7.4 million (30 June 2010 : \$2.0 million) is after the application of the unused losses noted above.

5. Shareholders' equity – share capital

Movements in Share Capital of the Company during the half-year were as follows:

Date	Details	Notes	Number of shares '000	Issue price \$	Paid-up Capital \$'000
01/07/2010	Opening Balance		194,870		120,447
27/08/2010	Dividend Reinvestment Plan	i	3,055	0.60	1,826
31/12/2010	Balance		197,925		122,273

- i The Company has a Dividend Reinvestment Plan under which shareholders elected to have all or part of their dividend payment reinvested in new ordinary shares. Pricing of the new DRP shares was based on the average selling price of shares traded on the Australian Securities Exchange in the five days from the day the shares begin trading on an ex-dividend basis. The issue was at a 2.5% discount to the calculated price.

6. Dividends	Half-year 2010 \$'000	Half-year 2009 \$'000
Dividends provided for or paid during the period	3,897 (2 cents per share)	3,538 (2 cents per share)

7. Earnings per Share	Half-year 2010	Half-year 2009
	Number	Number
Weighted average number of ordinary shares used as the denominator	196,961,840	180,302,080
Basic earnings per share		
	\$'000	\$'000
Profit for the half-year	5,041	4,161
	Cents	Cents
Basic earnings per share	2.56	2.31
Net operating profit before net gains on investments per share		
	\$'000	\$'000
Net operating profit for the half-year	3,328	2,799
	Cents	Cents
Net operating profit per share	1.69	1.55

Dilution

As there are no options, convertible notes or other dilutive instruments on issue, diluted net profit per share is the same as basic net profit per share. This similarly applies to diluted net operating profit before net gains on investments per share.

8. Events subsequent to balance date

On 5 January 2011, the Company issued 11.2 million of shares for a total of \$7.1 million in additional capital as a consequence of its Share Purchase Plan.

Since 31 December 2010 to the date of this report there has been no other event of which the Directors are aware which has had a material effect on the Company or its financial position.

9. Contingencies

At balance date Directors are not aware of any material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

10. Effects of Restatement of Prior Year Interim Results

Subsequent to the release of the results for the 6 months ended 31 December 2009, the Board has revised the accounting policy regarding the treatment of gains or losses on puttable instruments held within the Investment Portfolio.

As noted in the 2010 Annual Report, puttable instruments in the Investment Portfolio provide the Company with a beneficial interest in the net assets of the investment and a right to receive distributions and they are therefore monitored by the Company in the same way as the other instruments in the investment portfolio. Under some closely defined circumstances, the issuer of these instruments has a contractual obligation to repurchase or redeem that instrument for cash or another financial asset on exercise of the put. Although these instruments can be classified by the issuer as 'equity instruments' under AASB 132 where certain criteria are fulfilled, this classification is unavailable to the Company under AASB 9 and therefore these must now be classified as 'fair value through profit or loss.'

The effect of this change (after tax) would have had a material impact on the results for the 6 months to the end of 31 December 2009, as noted below :

(i) Net Profit

The unrealised gains, and the deferred tax expense on the gains, on puttable instruments previously recorded through Other Comprehensive Income as part of the unrealised gains on the investment portfolio are now recorded as part of profit. There is no impact on net operating profit, but it does result in the following restatement of net profit for the 6 months ending 31 December 2009 :

	As previously reported \$'000	Unrealised gain on puttable instruments \$'000	Restated \$'000
Net operating profit for the half-year	2,799	-	2,799
Net gains on investments	526	836	1,362
Profit for the half-year	3,325	836	4,161

(ii) Other Comprehensive Income

Other Comprehensive Income is therefore reduced by the same amount, resulting in the following restatement of Other Comprehensive Income for the 6 months ending 31 December 2009 :

	As previously reported \$'000	Unrealised gain on puttable instruments \$'000	Restated \$'000
Unrealised gains for the period on securities in the portfolio on 31 December	26,811	(1,194)	25,617
Deferred tax expense on above	(5,077)	358	(4,719)
Other movements	47	-	47
Other Comprehensive Income for the half-year	21,781	(836)	20,945

(iii) Earnings per share

Earnings per share, although not net operating profit per share, are also affected by the change in accounting treatment.

	As previously reported Cents	Unrealised gain on puttable instruments (per share) Cents	Restated Cents
Basic Earnings per share	1.84	0.47	2.31

(iv) Shareholders' equity

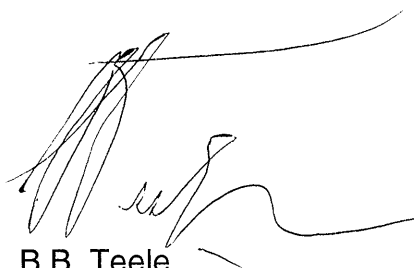
There is no impact on shareholders' equity from the above changes, as the changes move unrealised gains from one part of Comprehensive Income (Other Comprehensive Income) to another (Net Profit).

DIRECTORS' DECLARATION

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 11 to 20 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 Company's financial position as at 31 December 2010 and of its performance, as represented by the results of the operations, changes in equity and cash flows, for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'B.B. Teele', is written over a horizontal line.

B.B. Teele
Chairman
Melbourne
24 January 2011

PricewaterhouseCoopers
ABN 52 780 433 757

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Independent auditor's review report to the members of AMCIL Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of AMCIL Limited, which comprises the balance sheet as at 31 December 2010, and the income statement, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for AMCIL Limited (the company).

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of 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 company's financial position as at 31 December 2010 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 AMCIL 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. It also includes reading the other information included with the financial report to determine whether it contains any material inconsistencies with the financial report. 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.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

**Independent auditor's review report to the members of
AMCIL Limited
(continued)**

Our review did not involve an analysis of the prudence of business decisions made by directors or management.

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2010 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*.



PricewaterhouseCoopers



David Coogan
Partner

Melbourne
24 January 2011