

**USCOM**

ABN: 35 091 028 090



HALF-YEAR RESULTS

Revenue from Sales up 100%

Tuesday, 14 February 2006: USCOM Limited (ASX Code: UCM) today released interim financial results to 31 December 2005, demonstrating a 100% year-on-year growth in revenue from sales.

The company reported sales revenue of \$537,687, resulting from the sale of 30 USCOM machines for the period, compared to \$268,341 for the 6 months to the end of December 2004.

Financial Highlights for 6 months to 31 December 2005:

- Revenue from sales \$537,687
- Total revenue \$882,451
- Expenses \$2,726,301
- Loss \$1,865,555
- Cash resources at 31 December 2005 \$8,218,485

Commenting on the results today, the Chairman of USCOM, Mr Rob Phillips said, “*We are pleased with today’s results. They demonstrate clearly the company is steadily building its revenue base, making firm traction in each of its priority markets.*”

“*In the United States, our new distribution partner, appointed in December, is now actively in the field, with extremely positive feedback from clinician contacts.*”

“*On the cost side, we remain committed to the careful management of costs and preservation of cash resources. The six month period was relatively high in costs, covering the commercial launch of USCOM in the US market. With revenues continuing to grow, we are confident the company is adequately resourced to reach profitability.*”

Rules 4.1, 4.3

Appendix 4D

Half yearly report

Introduced 1/1/2003.

Name of Entity	USCOM LIMITED
ACN	091 028 090
Financial Period Ended	31 DECEMBER 2005
Previous Corresponding Reporting Period	31 DECEMBER 2004

Results for Announcement to the Market

	\$	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	882,451	34%
Profit / (loss) from ordinary activities after tax attributable to members	(1,865,555)	24%
Net profit / (loss) for the period attributable to members	(1,865,555)	24%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	N/A
Interim Dividend	Nil	N/A
Previous corresponding period	Nil	N/A
Record date for determining entitlements to the dividends (if any)		
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Refer Directors' report in Attachment 1.		

The half-yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

NTA Backing

		Current Period
Net tangible asset backing per ordinary security		25 ¢

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Refer Attachment 1.

+ See chapter 19 for defined terms.

Commentary on the Results for the Period

The earnings per security and the nature of any dilution aspects :

Refer Statement of Financial Performance in Attachment 1.

Returns to shareholders including distributions and buy backs :

Not Applicable

Significant features of operating performance :

Refer Attachment 1.

The results of segments that are significant to an understanding of the business as a whole:

Refer to Note 5 in Attachment 1.

Discussion of trends in performance :

Refer Attachment 1.

Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified:

None.

+ See chapter 19 for defined terms.

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not Applicable
Date control gained	
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not Applicable
Date control lost	
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
Not Applicable				
Aggregate Share of Net Profits				

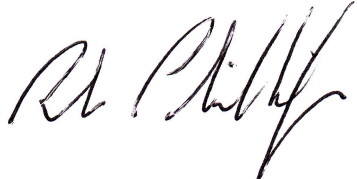
+ See chapter 19 for defined terms.

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	*
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:			
Not Applicable			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:			
Not Applicable			

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

Signed By (Director/Company Secretary)	
Print Name	Rob Phillips, Director
Date	14 February 2006

+ See chapter 19 for defined terms.

DIRECTORS' REPORT

Your directors submit the financial report of USCOM Ltd for the half-year ended 31 December 2005.

Directors

The names of directors who held office during or since the end of the half-year:

Mr Rob Phillips
Mr Gary Davey
Mr Luke Fay
Dr Fred Berry
Mr Roman Zwolenski

Shareholdings of directors as at 31 December 2005

Name of directors	Balance 31 December 2005
Mr Rob Phillips	16,750,000 ¹
Mr Gary Davey	6,259,000 ²
Mr Luke Fay	737,500
Dr Fred Berry	150,000
Mr Roman Zwolenski	125,000
Total	24,021,500

¹ 60,000 of these ordinary shares are held by Northern Cardiac Sonography Pty Ltd.
Mr Phillips is a Director and controller of this company.

¹ 100,000 of these ordinary shares are held by Northern Cardiac Sonography Pty Ltd as trustee for the Phillips Family Superannuation.

² 180,000 of these ordinary shares are held by Davey Superannuation Nominees Pty Ltd.
Mr Davey is a trustee, but not a beneficiary.

Adoption of Australian equivalents to IFRS

This interim financial report had been prepared under Australian equivalents to IFRS. A reconciliation of differences between previous GAAP and Australian equivalents to IFRS has been included in Note 2 of this report.

DIRECTORS' REPORT (continued)

Review of operations

The first half of the 2006 financial year has seen many significant milestones achieved at USCOM. These include USA market entry and the establishment of USCOM marketing teams in the USA, Europe and Australia. The focus during the period has been on expanding the global marketing capabilities of USCOM.

The marketing team has already achieved a measure of success by reaching the FY '05 full year sales revenue in the first half of FY'06. This has positioned USCOM favourably towards our goal of achieving 100 unit sales for this current financial year. Our financial performance for the six months to the end of the year was in line with our expectations.

USCOM continues to manage cash flow such that we are achieving targeted growth as well as ensuring that there are adequate cash reserves to fund the organisation through to profitability. This was achieved even during a period of very high activity which included the USA market launch and attendance at all the major global conferences in our category.

The USCOM team is building a credible global brand and this is being assisted by our clinical partners that are demonstrating the utility of our product. Our technical team are also contributing through advancements to the product that make it easier to use and broaden its application.

Financial highlights

for the 6 months to 31 December 2005

Revenue from sale of goods	\$537,687
Cash receipts from sales	\$247,912
Other income	
Government grants	\$77,705
Interest received	\$249,856
Costs	\$2,833,006
Loss	\$1,865,555
Cash on hand at 31 December 2005	\$8,218,485

Sales

In the USA USCOM has an agreement in place with Tri Anim Inc. for the distribution of the USCOM 1A device in 7 US states. This resulted in the sale of 10 units to provide the sales staff in this territory demonstration equipment. On top of this there have been end user sales in the USA, Europe, Asia and Australia.

Marketing

This half year has been the most active period of exhibitions in USCOM's history. The most significant being the USCOM 1A USA product launch at the American College of Emergency Physicians conference in Washington D.C. in September. At an accredited satellite symposium USCOM had 4 prominent US clinicians present on their experience with the USCOM 1A. USCOM exhibited at 26 other conferences in Australia, Asia, Europe and the USA.

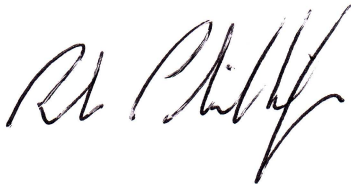
+ See chapter 19 for defined terms.

DIRECTORS' REPORT (continued)

This activity along with strengthening our operations has positioned the company well. We remain focused on the development of market opportunities for USCOM and are encouraged by the prospects for growth in the coming period.

Independence of auditors

We have received a declaration from the auditors, PKF, of their independence, which is attached as part of the Directors' report.



Rob Phillips
Director



Roman Zwolenski
Director

Sydney, 14 February 2006

DIRECTORS' REPORT (continued)

A Member Firm of PKF International



Chartered Accountants
& Business Advisers

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Scheme, approved under the
Professional Standards Act 1994 (NSW)

Auditor's Independence Declaration

To: The Directors

USCOM Limited

As lead engagement partner for the review of USCOM Limited for the half year ended 31 December 2005, 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 in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

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

Tim Sydenham
Partner
PKF Chartered Accountants

Sydney, 14 February 2006

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USCOM LIMITED

**Condensed Income Statement
for the half year ended 31 December 2005**

Continuing operations	<i>Note</i>	31 Dec 2005	31 Dec 2004
		\$	\$
Revenues	3	882,451	658,680
Raw materials and consumables used		(106,705)	(75,102)
Expenses from ordinary activities, excluding borrowing cost expenses	4	(2,726,301)	(2,145,277)
Borrowing cost expenses		-	(1,406)
Loss before income tax credit		(1,950,555)	(1,563,105)
Income tax credit		85,000	60,000
Loss from continuing operations		(1,865,555)	(1,503,105)
Earning per share (EPS)			
Basic earnings per share (cents per share)		(4.9)	(4.0)
Diluted earnings per share (cents per share)		(4.9)	(3.9)

This Condensed Income Statement is to be read in conjunction with the annual financial report for the year ended 30 June 2005 and the attached notes.

USCOM LIMITED

Condensed Balance Sheet
as at 31 December 2005

	<i>Note</i>	31 Dec 2005	30 Jun 2005
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash assets		8,218,485	10,545,218
Receivables		462,157	158,167
Inventories		364,033	329,127
Other assets	6	702,037	574,683
Total current assets		<u>9,746,712</u>	<u>11,607,195</u>
NON-CURRENT ASSETS			
Receivables		3,439	3,300
Other financial assets		100,030	100,030
Plant and equipment		175,155	155,504
Intangible assets		262,761	253,238
Total non-current assets		<u>541,385</u>	<u>512,072</u>
TOTAL ASSETS		<u>10,288,097</u>	<u>12,119,267</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables		174,313	236,780
Provisions		113,004	88,261
Lease incentives		12,938	12,938
Total current liabilities		<u>300,255</u>	<u>337,979</u>
NON-CURRENT LIABILITIES			
Provisions		36,285	28,012
Lease incentives		-	6,469
Total non-current liabilities		<u>36,285</u>	<u>34,481</u>
TOTAL LIABILITIES		<u>336,540</u>	<u>372,460</u>
NET ASSETS		<u>9,951,557</u>	<u>11,746,807</u>
EQUITY			
Contributed equity		16,644,265	16,644,265
Options reserve		570,057	499,752
Accumulated losses		(7,262,765)	(5,397,210)
TOTAL EQUITY		<u>9,951,557</u>	<u>11,746,807</u>

This Condensed Balance Sheet is to be read in conjunction with the annual financial report for the year ended 30 June 2005 and the attached notes.

+ See chapter 19 for defined terms.

USCOM LIMITED

Condensed Statement of Changes in Equity
for the half year ended 31 December 2005

	Contributed equity \$	Options reserve \$	Accumulated losses \$	Total \$
Balance at 1 July 2004	16,644,265	199,547	(2,551,087)	14,292,725
Loss from continuing operations	-	-	(1,503,105)	(1,503,105)
Share-based payments	-	150,103	-	150,103
Balance at 31 December 2004	16,644,265	349,650	(4,054,192)	12,939,723
Balance at 1 July 2005	16,644,265	499,752	(5,397,210)	11,746,807
Loss from continuing operations	-	-	(1,865,555)	(1,865,555)
Share-based payments	-	70,305	-	70,305
Balance at 31 December 2005	16,644,265	570,057	(7,262,765)	9,951,557

This Condensed Cash Flow Statement is to be read in conjunction with the annual financial report for the year ended 30 June 2005 and the attached notes.

+ See chapter 19 for defined terms.

USCOM LIMITED

Condensed Cash Flow Statement
for the half year ended 31 December 2005

	31 Dec 2005	31 Dec 2004
	\$	\$
Cash flows from operating activities		
Receipts from customers	247,912	290,916
Grants received	77,705	50,000
Payments to suppliers and employees	(2,726,765)	(2,180,179)
Interest received	143,922	479,292
Interest and other costs of finance paid	-	(1,687)
Insurance recovery	1,250	1,568
Net cash used in operating activities	<u>(2,255,976)</u>	<u>(1,360,090)</u>
Cash flows from investing activities		
Payments for purchase of plant and equipment	(54,288)	(26,126)
Payments for purchase of patents and trademarks	(26,469)	(23,737)
Dividends received	10,000	-
Net cash used investing activities	<u>(70,757)</u>	<u>(49,863)</u>
Cash flows from financing activities		
Proceeds from issue of shares	-	-
Share issue cost	-	-
Repayment of non interest bearing liabilities	-	-
Net cash provided by financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(2,326,733)	(1,409,953)
Net cash and cash equivalents at the beginning of the period	10,545,218	13,324,934
Net cash and cash equivalents at the end of the period	<u>8,218,485</u>	<u>11,914,981</u>

This Condensed Cash Flow Statement is to be read in conjunction with the annual financial report for the year ended 30 June 2005 and the attached notes.

+ See chapter 19 for defined terms.

USCOM LIMITED

**Selected Explanatory Notes to the Condensed Financial Statements
for the half year ended 31 December 2005**

Note 1 – Accounting Policies

This interim financial report has been prepared in accordance with Accounting Standard AASB 134 and is to be read in conjunction with the annual financial report for the year ended 30 June 2005. It is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and the Corporations Act.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with the Australian equivalents to IFRS (AIFRS) ensures that the financial report and notes of USCOM Ltd complies with IFRSs. AASB 1 First time adoption of Australian Equivalents to International Financial Reporting Standards has been applied in preparing these financial statements.

Notes of a type normally included in an annual financial report are not included.

The same accounting policies have been followed as those applied in the financial report for the year ended 30 June 2005, except for the following;

(a) Financial assets and Financial liabilities

Financial assets and financial liabilities are recognised on the balance sheet when USCOM Ltd becomes party to the contractual provisions of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred and no longer controlled by the entity. A financial liability is removed from the balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Upon initial recognition a financial asset or financial liability is designated as at fair value through profit or loss except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

A gain or loss arising from a change in the fair value of financial asset or financial liability classified as at fair value through profit or loss is recognised in profit or loss.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts, investments in money market instruments and cash in transit.

Loans and receivables

Financial assets not measured at fair value comprise loans and receivables being non derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are measured at amortised cost using the effective interest method.

Trade and other payables, provisions and borrowings

Financial liabilities comprise of trade and other payable, provisions and borrowings are measured at amortised cost using the effective interest method.

Amortised cost

The amortised cost of financial asset or a financial liability is the amount initially recognised minus principal repayments, plus or minus cumulative amortisation of any difference between the initial amount and maturity amount and minus any write down for impairment or uncollectability.

The change in policy for the half year will have no profit impact.

+ See chapter 19 for defined terms.

(b) Income tax

Income taxes are accounted for using the comprehensive balance sheet liability method whereby:

- The tax consequences of recovering (settling) all assets (liabilities) are reflected in the financial statements;
- Current and deferred tax is recognised as income or expenses except to the extent that the tax relates to equity items or to a business combination;
- A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to realise the asset;
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

The change for current income tax expenses is based on the profit for the year adjusted for any non assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the company will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The change in policy for the half year will have no profit impact.

(c) Impairment of assets

At each reporting date, the company reviews that carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement. In assessing value in use, the estimated future cash flows discounted to their present value using a pre-tax discount rate.

Note 2 – First-time adoption of Australian Equivalents to International Financial Reporting Standards (AIFRS)

USCOM Ltd has adopted Australian equivalents to International Financial Reporting Standards (AIFRS) on 1 July 2005.

The only adjustment required by USCOM Ltd as a result of adoption of Australian Equivalents to International Financial Reporting Standards (AIFRS) is in relation to share-based payments. The impacts on equity and loss on the relevant reporting periods are shown below.

+ See chapter 19 for defined terms.

Note 2 – First-time adoption of Australian Equivalents to International Financial Reporting Standards (AIFRS) (Continued)

Reconciliation of equity at 1 July 2005

Adjustments for share-based payments are \$199,547 and \$300,205 for the years ended 30 June 2004 and 30 June 2005 respectively. Therefore, as at 30 June 2005, options reserve increased by \$499,752 with an equivalent increase in accumulated losses.

Reconciliation of equity at 31 December 2004

Adjustment for share-based payment is \$150,103 for the half year ended 31 December 2004. Therefore, as at 31 December 2004, options reserve increased by \$150,103 with an equivalent increase in accumulated losses.

Reconciliation of equity at 31 December 2005

Adjustment for share-based payment is \$70,305 for the half-year ended 31 December 2005. Therefore, as at 31 December 2005, options reserve increased by \$70,305 from the accumulated adjustment of \$499,752 as at 30 June 2005.

Reconciliation of loss for the half-year ended 31 December 2004

Adjustments for share-based payments are \$150,103 for the half-year ended 31 December 2004.

Reconciliation of loss for the half-year ended 31 December 2005

Adjustment for share-based payments is \$70,350 for the half-year ended 31 December 2005.

+ See chapter 19 for defined terms.

	31 Dec 2005	31 Dec 2004
	\$	\$
Note 3 – Revenue		
<u>Sale of goods</u>	537,687	268,341
<u>Other income</u>		
Interest received	249,856	338,771
Dividends	10,000	-
Grants received	77,705	50,000
Insurance recovery	1,250	1,568
Exchange gains	5,953	-
Total other income	<u>344,764</u>	<u>390,339</u>
Total revenue	<u>882,451</u>	<u>658,680</u>

Note 4 – Expenses from ordinary activities, excluding borrowing cost expenses

Depreciation and amortisation expenses	51,582	36,117
Employee expenses	1,139,046	768,001
Research and development expenses	383,109	262,400
Advertising and marketing expenses	859,614	806,241
Occupancy expenses	97,701	114,211
Regulatory expenses	5,792	19,283
Administrative expenses	189,457	117,923
Exchange losses	-	21,101
Total expenses from ordinary activities, excluding borrowing cost expenses	<u>2,726,301</u>	<u>2,145,277</u>

Note 5 – Segment information

USCOM Ltd operates in the health products industry.

Geographic segment revenues – sale of goods

Australia	94,182	38,000
North Asia	117,348	80,723
South Asia	2,640	115,053
Europe	82,023	34,565
USA	228,494	-
Others	13,000	-
Segment total	<u>537,687</u>	<u>268,341</u>

	31 Dec 2005	30 June 2005
	\$	\$
Note 6 – Other assets		
Income tax credit	379,718	294,718
Accrued interest income	222,057	116,123
Prepayments	76,653	149,407
GST receivable	23,609	14,435
Total other assets	<u>702,037</u>	<u>574,683</u>

+ See chapter 19 for defined terms.

	31 Dec 2005	31 Dec 2004
	\$	\$
Note 7 – Related party transaction		
USCOM Ltd holds 10% of the share capital of Coefficient Systems Pty Ltd. Both Mr Fay and Mr Phillips are directors of Coefficient Systems Pty Ltd.		
The following transactions occurred in the period with Coefficient Systems Pty Ltd.		
<u>Dividend received</u>	10,000	-
	<u>10,000</u>	<u>-</u>
<u>Sales</u>	2,640	153,053
	<u>2,640</u>	<u>153,053</u>

The following balances existed with Coefficient Systems Pty Ltd at the Balance Sheet date.

	31 Dec 2005	30 June 2005
	\$	\$
<u>Current receivables</u>	-	20,754
	<u>-</u>	<u>20,754</u>
<u>Current payables</u>	-	13,200
	<u>-</u>	<u>13,200</u>

Note 8 – Contingent liabilities

There were no contingencies as at 31 December 2005.

Note 9 – Events after Balance Sheet date

There were no events subsequent to 31 December 2005 that are required to be reported in this note.

+ See chapter 19 for defined terms.

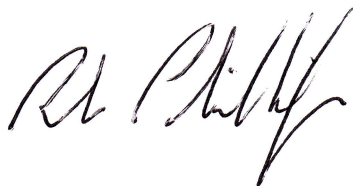
DIRECTORS' DECLARATION

The directors of USCOM Ltd declare that they are of the opinion that:

- (a) the financial statements and notes of USCOM Ltd are in accordance with the Corporations Act 2001, including that they:
 - (i) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
 - (ii) give a true and fair view of the financial position as at 31 December 2005 and the performance for the half year ended on that date of USCOM Ltd.

- (b) at the date of this declaration there are reasonable grounds to believe that USCOM Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



Rob Phillips

Director



Roman Zwolenski

Director

Sydney, 14 February 2006

A Member Firm of PKF International



Chartered Accountants
& Business Advisers

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**Independent Review Report to the members of
USCOM Limited**

Scope

We have reviewed the financial report of USCOM Limited for the half-year ended 31 December 2005 as set out on pages 10 to 19. USCOM Limited's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to lodge the financial report with the Australian Securities and Investments Commission/Australian Stock Exchange Limited.

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

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements of the *Corporations Act 2001*.

Statement

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 USCOM Limited is not in accordance with:

+ See chapter 19 for defined terms.

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& Business Advisers

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**Independent Review Report to the members of
USCOM Limited (cont'd)**

- (a) the Corporations Act 2001, including:
- (i) giving a true and fair view of USCOM Limited's financial position as at 31 December 2005 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

PKF
Chartered Accountants

Sydney, 14 February 2006

Tim Sydenham
Partner