

INTEGRATED INVESTMENT GROUP LIMITED
ABN 23 080 939 135

**HALF YEARLY FINANCIAL REPORT
FOR THE SIX-MONTH PERIOD ENDED
31 DECEMBER 2007**

DIRECTORS' REPORT

Your directors submit the financial report of the economic entity for the half-year ended 31 December 2007.

Directors

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

Mr. Timothy J Moore	Chairman
Mr. Richard Daniell	Director
Mr. Glenn Parker	Director

Review of Operations

Net results for the six months amounted to a loss of \$198,000 attributable to the members compared to a loss of \$43,000 for the same period last year.

\$112,686 of the above loss was non-recurrent expenditure attributable to the settlement of the contingent liability noted in the annual report for the year ended 30th June, 2007. This was a satisfactory result for shareholders as the exposure noted at that time was \$161,914.

Subject to the drilling program noted below, the operating costs of the company have been reduced significantly and now consist only of ongoing accounting, listing and audit fees. All related exploration costs for the Lionel Diggings project have been capitalised in line with current Australian accounting standards. IIG has sufficient working capital to meet its ongoing requirements for the foreseeable future.

The Future

Shareholders will note that on August 30th, IIG invested in an option to acquire Lionel Diggings, an unexplored and potential high grade gold resource in North Queensland. IIG had completed the first phase of exploration with geological mapping and chip sampling. Encouraging gold grades were recorded over a strike length of 700 metres in a sheeted mesothermal vein system hosted by granite.

The preliminary results indicate that a reverse circulation drill program is required to test the sheeted high grade vein system and altered granite wall rock at depth. A contract for a seven hole, five line drill program totalling 1,080 metres has been signed with a drilling contractor and was scheduled to commence in the second week of January 2008. However, due to well reported cyclonic weather conditions, producing heavy rain, access to the site has been inaccessible for any heavy machinery. It will be necessary to wait for the ground to dry out sufficiently to allow heavy machinery access for the drilling program. IIG will keep shareholders informed of developments and indeed when drilling commences.

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

The lead auditor's declaration is set out on page 3 and forms part of the directors' report for the half year ended 31 December 2007.

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DIRECTORS' REPORT (Continued)

Rounding of Amounts

The economic entity has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.

This report is signed in accordance with a resolution of the Board of Directors.



Timothy J Moore
Chairman



Richard Daniell
Director

Dated: 31st January 2008

Place: Sydney

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF INTEGRATED INVESTMENT GROUP LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2007 there have been:

- (i) no contraventions of the auditor independence requirements of the Act in relation to the audit or review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit or review



DUNCAN DOVICO
Chartered Accountants



ROSEMARY MEGALE
Partner

Dated: 31 JANUARY 2008
Place: Sydney

INTEGRATED INVESTMENT GROUP LIMITED
ABN 23 080 939 135

INCOME STATEMENT

FOR THE HALF YEAR ENDED 31 DECEMBER 2007

	31 Dec 2007 \$'000	31 Dec 2006 \$'000
Revenue	-	-
Other revenue	34	4
Operating expenses	(232)	(47)
Non-operating expenses	-	-
Borrowing costs	-	-
	<hr/>	<hr/>
Profit / (loss) before income tax	(198)	(43)
Income tax benefit / (expense)	-	-
	<hr/>	<hr/>
Profit / (loss) attributable to members of the company	(198)	(43)
	<hr/>	<hr/>
Basic earnings per share (cents per share)	(0.07)	(0.03)

The accompanying notes form part of these financial statements.

INTEGRATED INVESTMENT GROUP LIMITED
ABN 23 080 939 135

BALANCE SHEET

AS AT 31 DECEMBER 2007

	31 Dec 2007 \$'000	30 Jun 2007 \$'000
CURRENT ASSETS		
Cash and cash equivalents	662	990
Receivables	50	-
TOTAL CURRENT ASSETS	<u>712</u>	<u>990</u>
NON-CURRENT ASSETS		
Available for sale financial assets	130	167
Exploration and evaluation assets	157	-
TOTAL NON-CURRENT ASSETS	<u>287</u>	<u>167</u>
TOTAL ASSETS	<u>999</u>	<u>1,157</u>
CURRENT LIABILITIES		
Trade and other payables	10	11
TOTAL CURRENT LIABILITIES	<u>10</u>	<u>11</u>
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	-	-
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>10</u>	<u>11</u>
NET ASSETS	<u>989</u>	<u>1,146</u>
EQUITY		
Issued capital	26,174	26,133
Retained earnings / (accumulated losses)	(25,185)	(24,987)
TOTAL EQUITY	<u>989</u>	<u>1,146</u>

The accompanying notes form part of these financial statements.

INTEGRATED INVESTMENT GROUP LIMITED
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STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2007

	<u>Share Capital</u>		<u>Retained Profits/ (Losses)</u>	
	<u>Ordinary</u>	<u>Reserves</u>		<u>Total</u>
	\$'000	\$'000	\$'000	\$'000
Balance at 1 Jul 2006	24,834	-	(24,769)	65
Shares issued during the year	-	-	-	-
Capital raising costs	(3)	-	-	(3)
Profit / (loss) attributable to members of the company	-	-	(43)	(43)
Revaluation increment	-	-	-	-
Sub-total	24,831	-	(24,812)	19
Dividends paid or provided for	-	-	-	-
Balance at 31 Dec 2006	24,831	-	(24,812)	19
Balance at 1 Jul 2007	26,133	-	(24,987)	1,146
Shares issued during the year	41	-	-	41
Capital raising costs	-	-	-	-
Profit / (loss) attributable to members of the company	-	-	(198)	(198)
Revaluation increment	-	-	-	-
Sub-total	26,174	-	(25,185)	989
Dividends paid or provided for	-	-	-	-
Balance at 31 Dec 2007	26,174	-	(25,185)	989

The accompanying notes form part of these financial statements.

INTEGRATED INVESTMENT GROUP LIMITED
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CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2007

	31 Dec 2007 \$000	31 Dec 2006 \$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	-
Payments to suppliers and employees	(247)	(54)
Dividends received	6	-
Interest income	29	4
Income tax paid	-	-
	(212)	(50)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investment	-	-
Proceed from sale of investment	-	-
Payment for Property, Plant & Equipment	(157)	-
Proceed from sale of property, plant and equipment	-	-
	(157)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	41	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	(75)
Dividends paid	-	-
Capital raising costs	-	(3)
	41	(78)
Net cash provided by (used in) operating activities	(212)	(50)
Net cash provided by (used in) investing activities	(157)	-
Net cash provided by (used in) financing activities	41	(78)
Net increase (decrease) in cash held	(328)	(128)
Cash at <i>1 July</i>	990	168
Cash at <i>31 December</i>	662	40

The accompanying notes form part of these financial statements.

INTEGRATED INVESTMENT GROUP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE
HALF-YEAR ENDED 31 DECEMBER 2007**

NOTE 1: BASIS OF PREPARATION

This general purpose financial report for the interim half-year reporting period ended 31 December 2007 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual financial report for the year ended 30 June 2007 and any public announcements made by *Integrated Investment Group Limited* during the half-year in accordance with 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.

NOTE 2: CONTINGENT LIABILITIES

In the Annual Financial Report for the year ended 30 June 2007, a contingent liability of up to \$161,914 existed on account of a claim made by Leasewise Australia, a vehicle financing company, that had lent money to All Australian Adventures Pty Limited ("AAAPL"). AAAPL was part of the Canberra Vineyard Investments Limited ("KVIL") group of companies that was disposed of by Integrated Investment Group Limited at the end of the financial year ended 30 June 2004.

The claim purported that Integrated Investment Group Limited provided a guarantee against which the money was lent by Leasewise Australia. The Board of Directors have now settled this claim in full in the half year ended 31 December 2007.

An amount of \$100,000 has been paid to Leasewise Australia, as full and final settlement, and has been expensed in the half year ended 31 December 2007. Further, legal costs with respect to the claim of \$12,686 were incurred during the half year, and were expensed as at 31 December 2007.

NOTE 3: DIVIDENDS

No dividends have been declared for the period under review.

NOTE 4: EVENTS SUBSEQUENT TO BALANCE SHEET DATE

Nil.

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DIRECTORS' DECLARATION

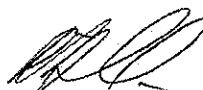
The directors of the company declare that:

1. The financial statements and notes, as set out in the preceding pages:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the economic entity's financial position as at 31 December 2007 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 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 Board of Directors.



Timothy J Moore
Chairman



Richard Daniell
Director

Dated: 31st January 2008

Place: Sydney

INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF
INTEGRATED INVESTMENT GROUP LIMITED

Scope

We have reviewed the financial report of Integrated Investment Group Limited for the half-year ended 31 December 2007 comprising of the income statement, the balance sheet, the statement of changes in equity, the cash flow statement and the accompanying notes. The financial report includes the financial statements of the company as an individual entity. The company's directors are responsible for the financial report. We have performed the 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 Australian Accounting Standard AASB 134: Interim Financial reporting and other mandatory professional reporting requirements 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 cashflows, and in order to lodge the financial report with the Australian Securities and Investments Commission / Australian Stock Exchange.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than 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 and the Corporations Act 2001.

In accordance with ASIC Class Order 05/83, we declare to the best of our knowledge and belief that the auditors declaration set out immediately after the directors' report has not changed as at the date of providing our review report.

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 Integrated Investment Group Limited is not in accordance with:

- a. the Corporations Act 2001, including:
 - i) giving a true and fair view of the company's financial position at 31 December 2007 and of its performance for the half-year ended on that date; and
 - ii) complying with Australian Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
- b. other mandatory professional reporting requirements in Australia.



DUNCAN DOVICO
Chartered Accountants



ROSEMARY MEGALE
Partner

Dated: 31 JANUARY 2008
Place: Sydney