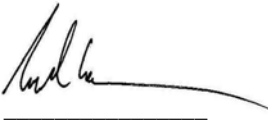


**HALF YEAR UNAUDITED REPORT ANNOUNCEMENT
KONTIKI GROWTH FUND LTD & it's SUBSIDIARY
PROFIT & LOSS STATEMENT
FOR HALF YEAR ENDED 30 JUNE 2011**

		CONSOLIDATED		
		Six Monthly 30.06.11		Six Monthly 30.06.10
Note		\$	*Increase/ Decrease %	\$
OPERATING REVENUE				
	Sales Revenue	439,049	24%	354,758
	Other Revenue	(33,537)		(9,049)
	Total Operating Revenue	405,512		345,710
	Net Profit/Loss before Tax	(1,301)	N/A	(36,628)
	Income Tax Expense			
	Net Profit/Loss after Tax	(1,301)		(36,628)
	Net Profit/Loss after Tax & Extraordinary Item	(1,301)		(36,628)
	Less Minority Interest after tax	13,069		7,579
	Net Profit/Loss after Extraordinary Item and Income Tax Attributable to Members of the Company	(14,370)	N/A	(44,207)
	Retained Profit at Beginning	(1,749,105)		(1,148,765)
	Retained profit at half year end	(1,763,474)		(1,192,972)
	Earnings Per Share			
	Basic earnings per share	(0.00)		(0.01)

Director: Jack Lowenstein

Secretary: Melaia Vasuca

Signature: 

Signature: 

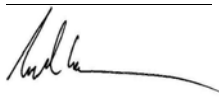
**STATEMENT OF ASSETS, LIABILITIES AND SHAREHOLDERS' EQUITY
FOR HALF YEAR ENDED 30 JUNE 2011**

		CONSOLIDATED		
	Note	Six Monthly 30.06.11 \$	Annual 31.12.10 \$	Six Monthly 30.06.10 \$
CURRENT ASSETS				
Cash Assets	2	42,358	4,518	8,251
Trade Receivables		157,668	113,795	80,893
Other receivables		550	-	-
Inventories		0	-	4,178
Prepayments		-	5,286	-
Other assets	3	32,443	-	25,628
Total Current assets		233,019	123,599	118,950
NON-CURRENT ASSETS				
Property, plant and equipment	4	25,754	30,791	44,070
Long-term investment	5	1,963,321	2,033,769	2,487,914
Future income tax benefit		-	6,304	-
Total Non-current Assets		1,989,076	2,070,864	2,531,983
Total Assets		2,222,095	2,194,463	2,650,934
CURRENT LIABILITIES				
Trade payables		140,101	252,730	94,499
Other payables and accruals		146,779	-	84,587
Interest-bearing borrowings		170,192	173,794	159,779
Provisions		-	13,668	-
Other		-	-	-
Total Current Liabilities		457,072	440,192	338,865
NON-CURRENT LIABILITIES				
(l) Term loan - secured		-	-	-
- unsecured		-	-	-
(m) Unsecured advance		-	-	-
(n) Inter-company loan		-	-	-
(o) Deffered tax liabilities		-	830	-
(p) Provisions		-	-	-
(q) Other		-	-	-
Total Non-Current Liabilities		-	830	-
Total Liabilities		457,072	441,022	338,865
NET ASSETS		1,765,023	1,753,441	2,312,068
EQUITY				
Contributed equity		3,540,664	3,540,664	3,540,664
Reserves		-	-	-
Retained profits/accumulated losses		(1,763,474)	(1,764,789)	(1,192,972)
Total Outside Equity Interest in Controlled Entities		(12,166)	(22,434)	(35,623)
TOTAL EQUITY		1,765,023	1,753,441	2,312,068

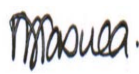
Director: Jack Lowenstein

Secretary: Melaia Vasuca

Signature: _____



Signature: _____



**KONTIKI GROWTH FUND LTD & it's SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR HALF YEAR ENDED 30 JUNE 2011**

	CONSOLIDATED	
	Six Monthly 30.06.11 \$	Six Monthly 30.06.10 \$
CASH FLOW FROM OPERATING ACTIVITIES		
Cash Received from Trading activities	447,875	342,084
Cash Payments	(397,833)	(328,310)
Interest Paid	-	-
Dividend Received	1,940	6,450
Interest Received	-	-
Net Vat Paid	(28,352)	(26,710)
Net Cash Inflow from Operating Activities	23,631	(6,486)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	-	-
Proceeds from Sale of Fixed Assets	-	-
Acquisition of Investment	-	-
Long Term Deposit	-	-
Audio Visual Production	-	-
Proceed from Sale of Associate	-	-
Proceed from Sale of Investment	27,881	-
Net Cash (Outflow) from Investing activities	27,881	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend Paid	-	-
Secured Loan	-	-
Proceeds from Issue of Shares	-	-
Proceeds from Borrowings	-	10,100
Loan Repayment	(7,000)	-
Repayment of Lease Principal	-	-
Net Cash (Outflow)/Inflow from Financing Activities	(7,000)	10,100
NET INCREASE/(DECREASE) IN CASH HELD		
Cash/(Overdraft) at beginning	(2,153)	4,637
Effects of exchange rate changes on opening cash balances		
Cash/(Overdraft) at end	42,358	8,251

Director: Jack Lowenstein

Signature: _____



Secretary: Melaia Vasuca

Signature: _____



<u>Notes:</u>		GROUP	
		Six Monthly	
		<u>2011</u>	<u>2010</u>
1	OTHER REVENUE		
	Unrealised Gain	(35,477)	(15,499)
	Dividends Income	1,940	6,450
		<u>(33,537)</u>	<u>(9,049)</u>
2	CASH AND SHORT TERM DESPOSITS		
	Operating accounts	36,240	3,392
	Trust Accounts	5,060	4,860
	Cash on Hand	1,059	
		<u>42,358</u>	<u>8,251</u>
3	OTHER ASSETS		
	Prepayments	7,286	3,625
	Deposits Paid	7,100	16,255
	Immigration Bond	11,753	5,748
	Deffered Tax Assets	6,304	-
		<u>32,443</u>	<u>25,628</u>
4	PROPERTY, PLANT AND EQUIPMENT		
	At Cost	170,585	169,095
	Less Accumulated Dep	(144,830)	(125,025)
	Book Value	<u>25,754</u>	<u>44,070</u>
5	LONG TERM INVESTMENTS		
	Kontiki Fund Limited	514,224	582,673
	i-Pac Communications Limited	179,898	249,569
	Halabe Investments Limited	883,720	883,720
	Savusavu Harbourside Limited	-	-
	Bligh Water Shipping Limited	216,200	569,839
	Suliven Shipping Limited	0	13
	Pleass Beverage Equipment Limited	169,280	202,100
		<u>1,963,321</u>	<u>2,487,914</u>

All investments have been designated as fair value. Movement in fair value during the reporting period has been recognised in the income statement.

- 6 This incorporates the audit adjustments made to the subsidiary's account following the submission of the 2010 accounts made to the exchange.