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WATERS
DACE
PARTNERS

CHARTERED ACCOUNTANTS
REGISTERED COMPANY AUDITORS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GANSTONE PTY LTD

Scope

We have performed the procedures agreed with you in our engagement letter dated 31st May 2004 and described below with respect to the audit of the attached Community Benefit Statement as at 30 June 2005 for The Star Hotel Sale, the licensee of which is Ganstone Pty Ltd, being a report prepared in accordance to satisfy the requirements of the Gambling Regulations Act (2003). Our engagement was undertaken in accordance with Australian Auditing Standards applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in ensuring the accuracy and validity of the Community Benefit Statement to be submitted to the Victorian Casino and Gaming Association (VCGA) and are summarized as follows:

1. We obtained and checked the additions of all the schedules prepared by Ganstone and, where applicable, compared the total to the balance in the related general ledger account.
2. We selected samples at random and vouched to source documents for certain items or performed reasonableness test where deemed necessary.
3. We sought representations from management for any amounts which we are unable to verify to source documents.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the Community Benefit Statement presents fairly, in accordance with applicable Accounting Standards in Australia and consistent with our understanding of sections 3.6.9(2)(1) and (b) of the *Gambling Regulation Act 2003*, the value of Community Benefits provided by Ganstone Pty Ltd

Our report is solely for the purpose set forth in the first paragraph of this report and is not to be used for any other purpose or distributed to any other party. This report relates only to the schedules and items specified above and does not extend to any financial report of Ganstone Pty Ltd or its associated entities taken as a whole.



Waters Dace Partners



Ken Kwong - CA

Dated: 9 September 2005
3rd Floor
329 Thomas Street
Dandenong VIC 3175



Chartered Accountant