

15 March 2000

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Australian Stock Exchange
Company Announcements Platform
By Fax: 1300 300 021

Dear Sir/Madam

**Re: Sino Securities International Limited (“SSI” or “the Company”)
Half Yearly Report**

For the half year to 31 December 1999, total revenue declined by 88.3 per cent to \$235,931 and net loss increased by 305.8 per cent to \$851,738 compared to the previous corresponding half year profit of \$413,924. Net Tangible Asset Backing per share improved from the previous corresponding half year of \$2.26 to \$2.37.

During the half year ended 31 December 1999, the Company devoted substantial management time and financial resources to develop the business of GoConnect Limited (“GoConnect”). More than half of the half-yearly loss can be attributed to the financing of the GoConnect business and opportunity cost as a result of GoConnect. The successful completion since 31 December 1999 of GoConnect’s mezzanine capital raising of \$15.74 million means that GoConnect is now a self-funded entity within the Sino Securities group. While GoConnect’s drain on the Company’s financial resources has now been contained, the Company’s management and support staff will still need to be devoted to GoConnect for a period of time. On the positive side, however, the Company’s equity value in GoConnect has been significantly lifted upon the completion of the mezzanine capital raising in GoConnect.

GoConnect Ltd (“GoConnect”)

The execution of GoConnect’s business plan has been on track and to management’s expectation. As at 15 March 2000, GoConnect has received registrations to access its service from over 250,000 members. With the signing of the Service Provider Agreement with PowerTel Ltd, GoConnect will commence connection to the Internet for its members progressively, and on a first-come-first served basis within the next two weeks.

On 3 February 2000, SSI announced the appointment of ANZ Investment Bank by GoConnect to the role of Lead Manager to prepare GoConnect for a proposed underwritten Initial Public Offer (“IPO”) of shares and listing on the ASX. Due diligence process for the preparation of the IPO has been progressing satisfactorily

Multelink Australia Pty Ltd (“Multelink”)

The Company acquired 20 per cent of the issued capital of Multelink in the previous financial period for \$3 million. Multelink has completed its infrastructure roll-out during the period under review and has successfully launched its commercial service. Despite a few teething technical problems during the early months of the commercial service, we are pleased to advise that these technical problems have largely been resolved.

Multelink is able to deliver the cheapest call rates for not only long distance and international calls, but also fixed phone to mobile calls.

Multelink is currently also targeting the telephony business of the corporate sector. Feedback from the corporate sector in connecting to the Multelink service has been most positive. A number of large corporate prospects are currently completing their technical due diligence with a view to becoming Multelink subscribers.

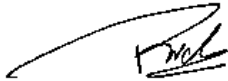
Multelink's management is studying a proposal for the listing of the company on the ASX in order to adequately finance its next major expansion phase as well as to establish a greater awareness of the company in the Australian telecommunications market. A number of other corporate directions are also being reviewed by Multelink's management in order to optimize the value of the company for its shareholders. This review is expected to be completed within the next few weeks.

Future Direction

While SSI's current management focus remains firmly on GoConnect and Multelink, the Company is continuing to study the China market to ensure that at the appropriate time, SSI can capitalise on its China knowledge and connections to develop businesses in China for both GoConnect and Multelink.

SSI's investment banking business will be further transformed after the successful IPO of GoConnect. It is an immediate objective of the Company to become a significant Internet investment banking company in Australia.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Richard Li', with a long horizontal flourish extending to the left.

Richard Li
Managing Director
Sino Securities International Ltd

Consolidated profit and loss account

(The figures are not equity accounted)

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Sales (or equivalent operating) revenue	197	133
1.2 Other revenue	39	1,877
1.3 Total revenue	236	2,010
1.4 +Operating profit (loss) before abnormal items and tax	(882)	414
1.5 Abnormal items before tax (detail in item 2.4)	-	-
1.6 +Operating profit (loss) before tax (items 1.4 + 1.5)	(882)	414
1.7 Less tax	-	-
1.8 +Operating profit (loss) after tax but before outside +equity interests	(882)	414
1.9 Less outside +equity interests	30	-
1.10 +Operating profit (loss) after tax attributable to members	(852)	414
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside +equity interests	-	-
1.13 Extraordinary items after tax attributable to members	-	-
1.14 Total +operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)	(852)	414
1.15 +Operating profit (loss) and extraordinary items after tax attributable to outside +equity interests (items 1.9 + 1.12)	-	-
1.16 +Operating profit (loss) and extraordinary items after tax attributable to members (items 1.10 + 1.13)	(852)	414
1.17 Retained profits (accumulated losses) at beginning of financial period	12,089	12,811
1.18 If change in accounting policy as set out in clause 11 of AASB 1018 Profit and Loss Accounts, adjustments as required by that clause (include brief description)	-	-
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation (carried forward)	11,237	13,225

+ See chapter 19 for defined terms.

**Appendix 4B (not equity accounted)
Half yearly/preliminary final report**

Consolidated profit and loss account continued

1.20	Total available for appropriation (<i>brought forward</i>)	11,237	13,225
1.21	Dividends provided for or paid	-	-
1.22	Aggregate of amounts transferred to reserves	-	-
1.23	Retained profits (accumulated losses) at end of financial period	11,237	13,225

Profit restated to exclude amortisation of goodwill		Current period \$A'000	Previous corresponding period \$A'000
1.24	+Operating profit (loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill	(882)	414
1.25	Less (plus) outside +equity interests	30	-
1.26	+Operating profit (loss) after tax (before amortisation of goodwill) attributable to members	(852)	414

Intangible, abnormal and extraordinary items	<i>Consolidated - current period</i>			
	Before tax \$A'000	Related tax \$A'000	Related outside +equity interests \$A'000	Amount (after tax) attributable to members \$A'000
2.1	Amortisation of goodwill	-	-	-
2.2	Amortisation of other intangibles	-	-	-
2.3	Total amortisation of intangibles	-	-	-
2.4	Abnormal items	-	-	-
2.5	Total abnormal items	-	-	-
2.6	Extraordinary items	-	-	-
2.7	Total extraordinary items	-	-	-

Comparison of half year profits <i>(Preliminary final report only)</i>		Current year - \$A'000	Previous year - \$A'000
3.1	Consolidated +operating profit (loss) after tax attributable to members reported for the 1st half year (item 1.10 in the half yearly report)		
3.2	Consolidated +operating profit (loss) after tax attributable to members for the 2nd half year		

Consolidated balance sheet

(See note 5)

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000	
Current assets				
4.1	Cash	2,687	115	374
4.2	Receivables	60	80	13
4.3	Investments	203	290	963
4.4	Inventories	-	-	-
4.5	Other (provide details if material)	795	35	455
4.6	Total current assets	3,745	520	1,805
Non-current assets				
4.7	Receivables	-	-	-
4.8	Investments	30,162	30,163	17,682
4.9	Inventories	-	-	-
4.10	Exploration and evaluation expenditure capitalised (see para .71 of AASB 1022)	-	-	-
4.11	Development properties (+mining entities)	-	-	-
4.12	Other property, plant and equipment (net)	172	165	53,182
4.13	Intangibles (net)	-	-	-
4.14	Other (provide details if material)	-	-	19,453
4.15	Total non-current assets	30,334	30,328	90,317
4.16	Total assets	34,079	30,848	92,122
Current liabilities				
4.17	Accounts payable	43	195	20,859
4.18	Borrowings	-	-	-
4.19	Provisions	126	138	121
4.20	Other (provide details if material)	1	3	3
4.21	Total current liabilities	170	336	20,983
Non-current liabilities				
4.22	Accounts payable	-	-	26,000
4.23	Borrowings	-	-	-
4.24	Provisions	37	9	13
4.25	Other (provide details if material)	-	-	11,909
4.26	Total non-current liabilities	37	9	37,922
4.27	Total liabilities	207	345	58,905
4.28	Net assets	33,872	30,503	33,217

+ See chapter 19 for defined terms.

Appendix 4B (not equity accounted)
Half yearly/preliminary final report

Consolidated balance sheet continued

	Equity			
4.29	Capital	10,679	9,429	6,179
4.30	Reserves	11,576	8,985	7,782
4.31	Retained profits (accumulated losses)	11,237	12,089	13,225
4.32	Equity attributable to members of the parent entity	33,492	30,503	27,186
4.33	Outside +equity interests in controlled entities	380	-	6,031
4.34	Total equity	33,872	30,503	33,217
4.35	Preference capital included as part of 4.32	-	-	-

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit.

	Current period \$A'000	Previous corresponding period- \$A'000
5.1	Opening balance	-
5.2	Expenditure incurred during current period	-
5.3	Expenditure written off during current period	-
5.4	Acquisitions, disposals, revaluation increments, etc.	-
5.5	Expenditure transferred to Development Properties	-
5.6	Closing balance as shown in the consolidated balance sheet (item 4.10)	-

Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding period- \$A'000
6.1	Opening balance	-
6.2	Expenditure incurred during current period	-
6.3	Expenditure transferred from exploration and evaluation	-
6.4	Expenditure written off during current period	-
6.5	Acquisitions, disposals, revaluation increments, etc.	-
6.6	Expenditure transferred to mine properties	-
6.7	Closing balance as shown in the consolidated balance sheet (item 4.11)	-