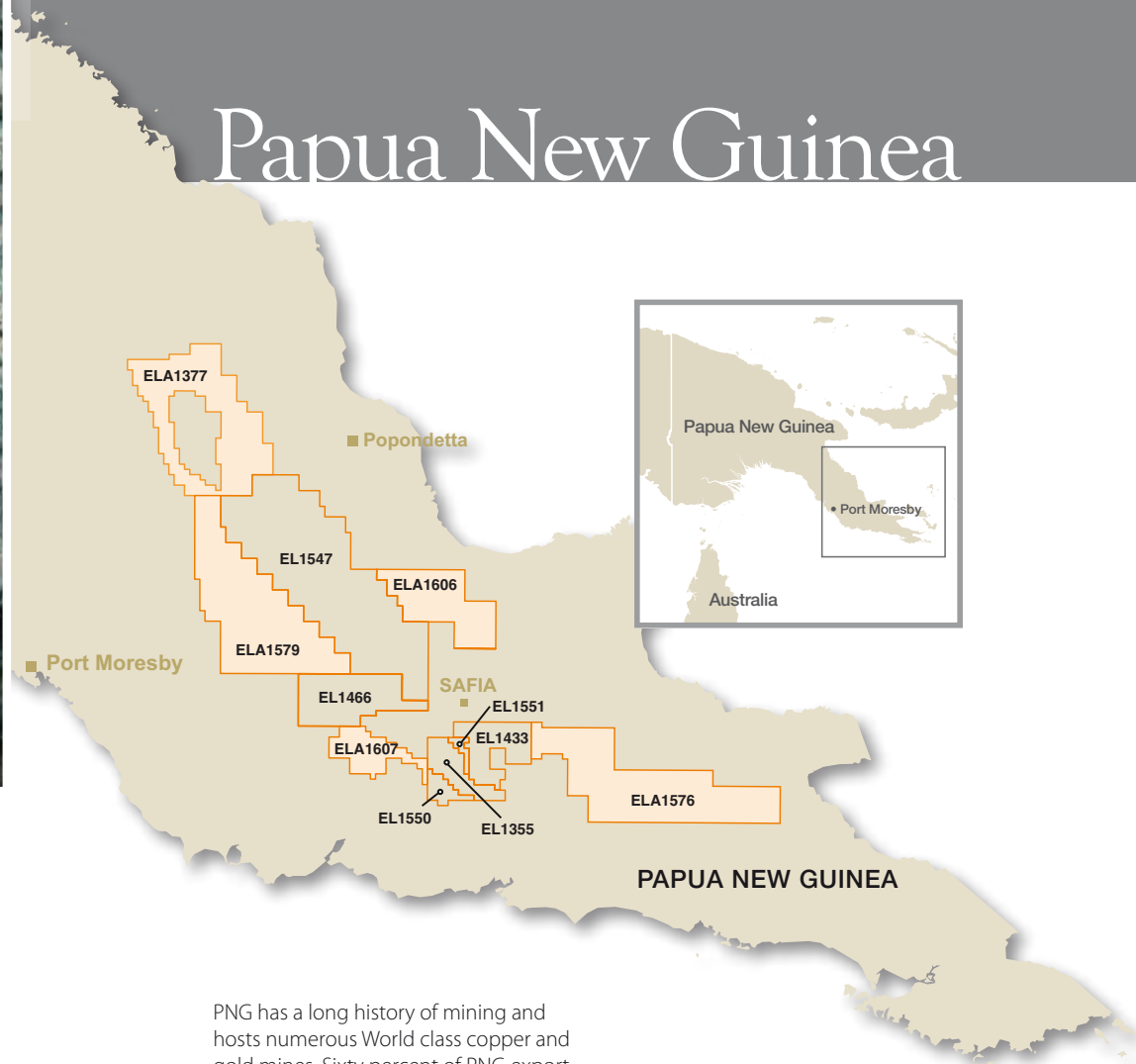




Annual Report 2008

08

Papua New Guinea



PNG has a long history of mining and hosts numerous World class copper and gold mines. Sixty percent of PNG export earnings are derived from mining.

The geology of PNG is highly prospective with the country located on the spine of a tectonic plate boundary that hosts mines such as Grasberg in nearby Irian Jaya, Ok Tedi, Porgera, Lihir and Misima. The country is still relatively underexplored compared to other parts of the World.

PNG actively encourages exploration and mining with a Westminster legal system, favourable taxation, exploration and mining tenure, and a growing pool of qualified, experienced National geoscientists.

Since commencing exploration activities in the country, we have received strong support from the Mineral Resources Authority, the PNG Government and landowners.

Who We Are



Goldminex is an Australian listed company exploring for large-scale gold, nickel and copper deposits in the Owen Stanley Ranges of Papua New Guinea. Since listing in October 2007, our exploration team has made significant progress at both regional and prospect scales, substantially re-rating Goldminex's nickel and gold-copper portfolio.

The Company holds a very large and highly prospective exploration project in one of the World's most metal rich environments where it has discovered impressive surface mineralisation in copper, nickel and gold. We believe that this ground has the potential to host a World-class orebody and have developed an exploration strategy to maximise the chances of discovery.

Goldminex was founded by Peter Tambanis, who personally funded and managed a gold exploration programme that led to the discovery of the Gossan Hill prospect. The first tenement, EL1355, was granted in 2004. A review of the tenement area in 2006 led to the rapid discovery of the Foasi area and then nickel mineralisation at Veri Veri Creek; and the realisation that the project area hosted an unusual concentration of high grade gold, nickel and copper mineralisation. The expenditure commitments required to fund an aggressive exploration programme within a large tenement position led to the ASX listing of Goldminex last year.

The Company is led by an experienced Board of Directors and staffed by a highly capable exploration team. This group collectively has proven exploration, development and mining expertise including significant PNG experience. Goldminex is underpinned by a strong institutional shareholder base who, recognising the project's exploration potential, has provided continued support.

Highlights for 2008



Goldminex holds a very large and highly prospective exploration project in one of the world's most metal rich environments where it believes it has the potential to make a significant nickel, gold or copper-gold discovery

Since listing in October 2007, our exploration team has made considerable progress at both regional and prospect scales, substantially re-rating Goldminex's nickel and gold-copper portfolio

Our experienced team has successfully demonstrated its ability to identify mineralisation within the project area and advance these occurrences through to drill ready targets



The Foasi system returned highly anomalous gold soil results, indicating a number of new targets for follow-up trenching and potential drilling



Regional reconnaissance led to the identification of a 20km long nickel corridor, hosting multiple occurrences of high-grade outcropping sulphide nickel mineralisation with assays as high as 43.5% Ni

At prospect scale, the Gossan Hill gold-copper prospect has been further upgraded with soil geochemistry sampling more than doubling the mineralised footprint to a strike length of over 800 metres



Goldminex is currently flying a helicopter-borne Electro Magnetic (EM) survey over the nickel corridor and key gold, nickel and copper prospects

Our developing exploration model is working and continues to lead our exploration team to mineralised structures

The Company is well funded for the next two years and we believe there is excellent potential to add further value to the Company by advancing our existing prospects and finding new occurrences of nickel, gold and copper mineralisation



These outstanding results come from within 5% of our large 4,000km² granted exploration license area, which has had little or no modern exploration or drilling

A diamond drilling programme is scheduled to commence prior to the end of this calendar year



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Corporate Directory

BOARD OF DIRECTORS

Adrian Fleming
Basil Tambanis
David Sode
Colin Patterson
Steven Tambanis

COMPANY SECRETARY

Harry Hill

REGISTERED OFFICE

Level 1, Professional Chambers
120 Collins Street
Melbourne Victoria 3000
Tel: +61 3 9663 3534
Fax: +61 3 9663 4127
Website: www.goldminex.com.au

AUDITOR

Grant Thornton
Chartered Accountants
Level 2, 215 Spring Street
Melbourne VIC 3000

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Yarra Falls, 452 Johnston Street
Abbotsford VIC 3067
Telephone: 1300 787 272

STOCK EXCHANGE LISTING

Home Exchange is Melbourne
ASX Code: GMX

Chairman's Letter

Dear Shareholder,

It is with great pleasure that I present the first Annual Report on behalf of the Board of Goldminex Resources Limited.

The Company was successfully listed on the Australian Stock Exchange on 23 October 2007. I would like to thank all shareholders for the confidence shown in the Company's management and projects by their support of the initial public offering.

As a Board we had indicated that the phase of work to be pursued upon listing would be to follow-up on the discoveries of high grade nickel, copper and gold mineralisation and, in parallel, continue reconnaissance exploration. Much was achieved during the year and the exploration results have exceeded our expectations. The Company continues to find mineralised occurrences in an under-explored region of the Owen Stanley Thrust Belt and we are preparing several of these prospects for drilling at the end of the year.

Whilst the Company's projects are important, the people necessary to complete the vision are crucial. It has taken considerable effort to build up our geological team and the underlying logistics support. I am pleased to report that the logistics team has delivered a base camp and infrastructure to support the geological activities to date and the capacity to manage the planned exploration expansion and drilling activities towards the end of the 2008 calendar year.

We have attracted an excellent team of geologists, both in-house and consultants, who have collectively made a significant contribution to understanding the wide ranging mineral occurrences in our tenement portfolio. I would encourage you to read the Operations Report.

We are very conscious of the social and environmental license that has been awarded with our exploration permits in Papua New Guinea. I want to acknowledge the fine and continued support of the landowners in the areas where we are working. In addition we thank the PNG Mineral Resources Authority and the PNG Government for their considerable assistance.

I would also like to thank our Managing Director, Basil Tambanis, for his determination and strong leadership in our first year as a public company.

As we progress into the 2008/2009 financial year the company is in a strong position with an active exploration programme, an experienced and dedicated management team, a drilling programme which will commence towards the end of 2008 and a substantial 9,500 square kilometre ground package of exploration licenses and applications. A new capital issue in August 2008 raised an additional \$13.5 million, placing the Company in a strong cash position, with \$29 million in cash on deposit at the end of that month.

I would like to thank my fellow Directors and management who made a significant contribution during the year. I again thank shareholders for their support and hopefully, with the continued hard work and dedication of Goldminex's staff and Directors, the coming year will be a period of discovery and wealth creation for the Company.

Yours faithfully



Adrian Fleming
Chairman





Operations Report

INTRODUCTION

Since listing in October 2007, our exploration team has made significant progress at both regional and prospect scales, substantially re-rating Goldminex's nickel and gold-copper portfolio.

Regional reconnaissance led to the identification of a 20km long nickel corridor, hosting multiple occurrences of high-grade outcropping sulphide nickel mineralisation with assays as high as 43.5% Ni. Additional gold occurrences were also identified through reconnaissance with the more advanced of these targets currently being evaluated for drilling.

At prospect scale, the Gossan Hill gold-copper prospect has been further upgraded with soil geochemistry sampling more than doubling the mineralised footprint to a strike length of over 800 metres. A drilling programme at Gossan Hill is planned for the December quarter. The identification of high tenor nickel, gold and copper mineralisation throughout EL1355 and EL1433 supports the potential for a large-scale discovery.

Our experienced team has successfully demonstrated its ability to identify mineralisation within the project area and advance these occurrences to drill ready targets. The valuable geological knowledge obtained since listing has enabled the team to develop a predictive geological model that has been successful in identifying new occurrences of nickel and gold mineralisation. The Company is now in a position to apply this model to new areas and accelerate regional exploration activities.

We believe we will continue to make new discoveries of nickel and gold mineralisation over the short term and generate a pipeline of prospects to be evaluated for drilling. Regional exploration activities are being expanded and drilling of prospects is planned to commence in the December quarter.

Significant exploration achievements include:

- Advanced the nickel exploration programme from identifying float boulder occurrences to the discovery of multiple nickel sulphide outcrops over a 20km corridor
- The Gossan Hill gold mineralised envelope has been extended along strike from 400m at listing to over 800m, with the potential for further strike extensions
- The Foasi system returned highly anomalous gold soil results, indicating a number of new targets for follow-up trenching and potential drilling
- Confirmation that our developing exploration model is working and continues to lead our exploration team to mineralised structures
- A diamond drilling programme scheduled to commence prior to the end of this calendar year
- Flying a helicopter-borne Electro Magnetic (EM) survey over the nickel corridor and key gold, nickel and copper prospects



VTEM survey helicopter and loop.

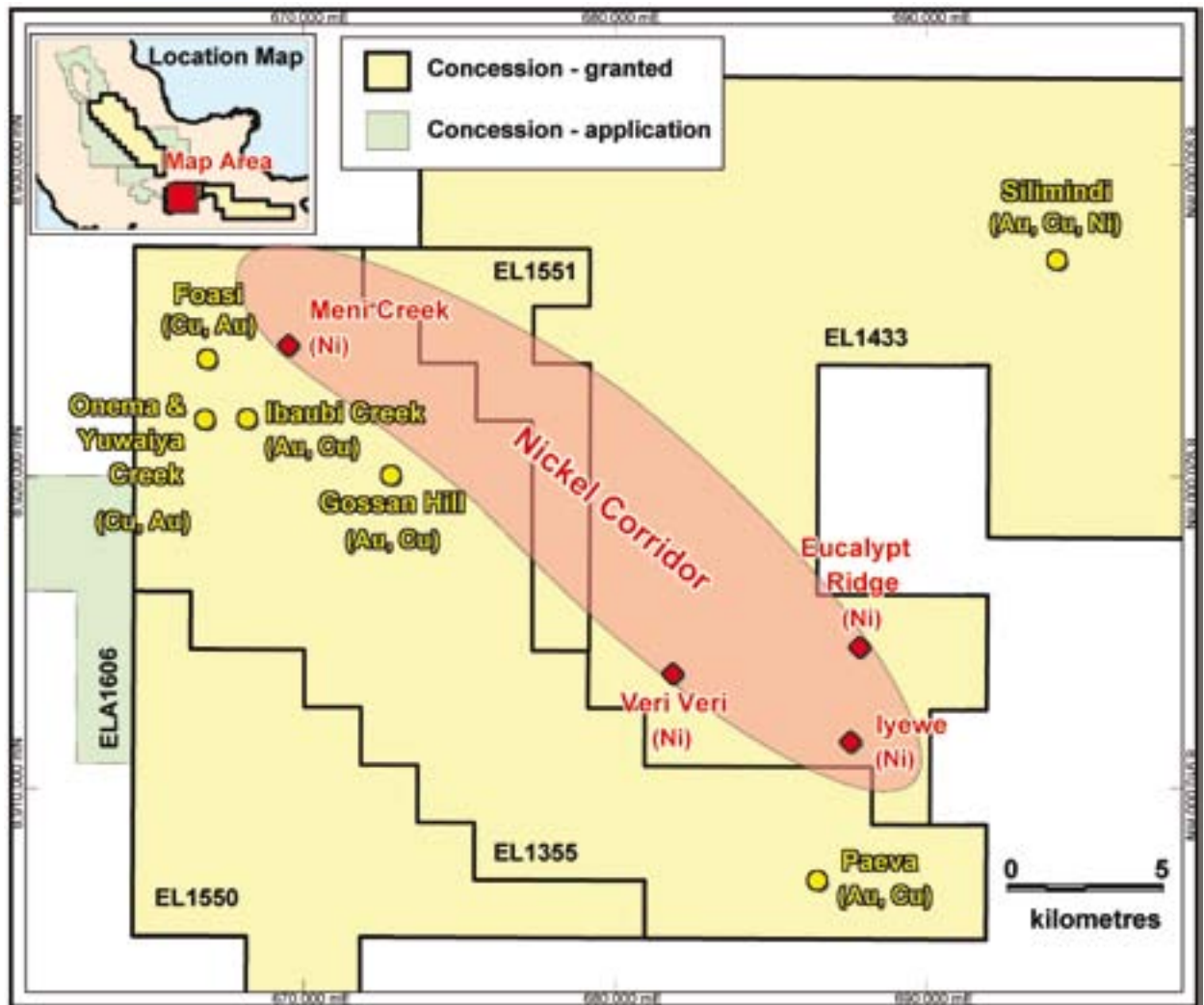


Figure 1: Prospect locality map.

NICKEL EXPLORATION

Since listing, Goldminex has confirmed the nickel sulphide potential of the area through discovery of outcropping nickel mineralisation as veins along a mineralised corridor within EL1355 and EL1433. To date, four separate occurrences of outcropping nickel sulphide mineralisation have been located between Meni Creek and Iyewe Creek, outlined as a corridor in Figure 1. Importantly, this repetition of nickel occurrences and developing geological knowledge base has significantly increased our confidence in finding additional nickel sulphide mineralisation within the Company's extensive tenement package.

At Iyewe Creek and Veri Veri Creek, we have found outcropping nickel mineralisation

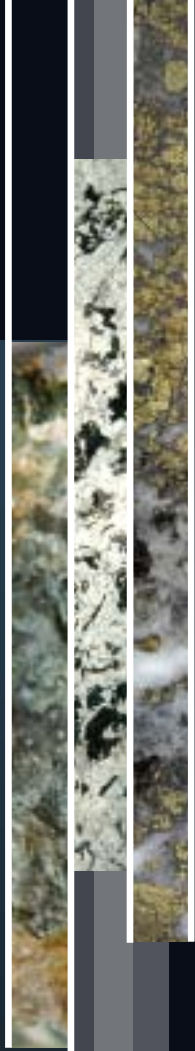
assaying over 40% Ni. The current programme for these two occurrences is to determine continuity of these structures along strike and at depth.

Given the large area to explore within this central zone, the Company is trialling a helicopter-borne Electro Magnetic (EM) geophysical survey with the objective of better defining mineralised structures. The EM survey will augment the geological work and modelling completed to date. This programme commenced in August 2008, with Geotech Systems contracting its proprietary VTEM system. Should this survey prove successful in identifying new nickel sulphide mineralisation, Goldminex will consider more intensive application of this technology within the Company's extensive ultramafic ground position.

Veri Veri Creek Nickel Sulphide Prospect (EL1433)

Veri Veri Creek is the Company's original nickel sulphide prospect. It initially returned high grade nickel results, up to 39.4% Ni from float rock, and subsequently returned up to 43.5% Ni from a set of subcropping and outcropping veins.

Trenching at Veri Veri Creek has located additional shear-hosted veins containing massive nickel sulphides. Assay results are pending with work resuming in this area following the results of the VTEM survey.



Outcropping nickel sulphide mineralisation from Veri Veri Creek grading 43.5% Ni

Iyewe Creek Nickel Sulphide Prospect (EL1433)

Geochemical work identified a nickel sulphide float trail that led to the discovery of nickel mineralisation at Koube Creek within the Iyewe Creek area, approximately 6km to the east of Veri Veri Creek. More detailed creek reconnaissance located outcropping nickel sulphide mineralisation over a 100m strike interval, within a moderately dipping shear zone that varies in width from 0.1 to 2.0 metres. Petrological sampling of the massive sulphide veins within the shear confirmed the presence of nickel sulphide minerals pentlandite and heazlewoodite. Drilling of this shear system is currently being evaluated.

Field crews mapped and sampled the discovery outcrop at Koube Creek, prior to expanding the search into the immediate area. An adjacent creek to the Iyewe lode contained nickel float boulders grading up to 49% nickel. This float train has since led to an additional outcropping nickel sulphide vein (Outcrop 2) approximately 400m to the SE. Another nearby creek which returned elevated nickel values

from geochemical stream sampling, led to the discovery of two more outcropping veins (Outcrops 3, 4) approximately 800m NE of the discovery outcrop. These nickel sulphide bearing veins are expected to be part of a more extensive shear system.

This discovery at Iyewe Creek strengthens our geological model for multiple occurrences of high grade nickel sulphide mineralisation along the Keveri Fault system. We believe that this developing model will assist in locating new nickel sulphide occurrences.

Other nickel sulphide occurrences

Nickel sulphide float has been found within other creek systems in EL1433. These areas will be systematically followed up on completion of the VTEM survey.

There are a number of large, late stage intrusive rock units within the ultramafic terrain that will be investigated for their potential to host large-scale nickel mineralisation. A separate regional exploration programme is being developed to pursue these targets.

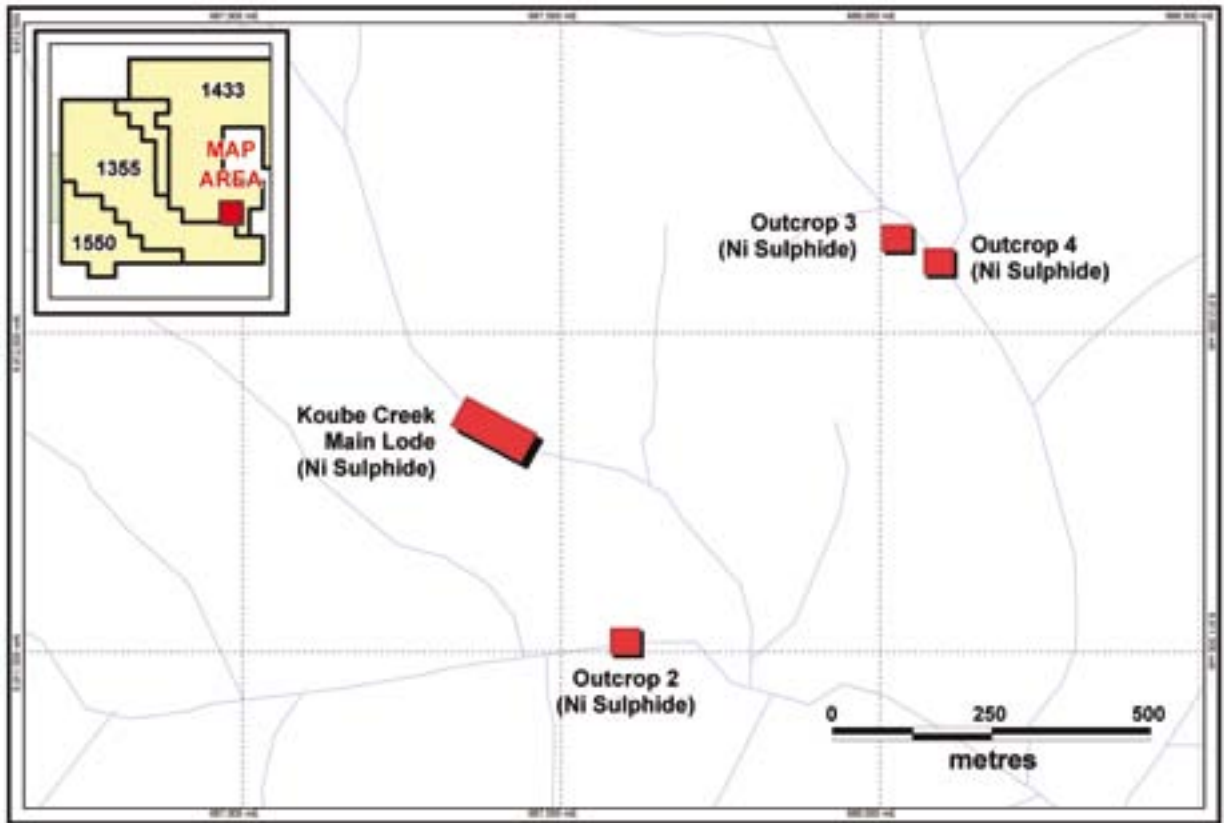


Figure 2: Iyewe Creek area field map showing the location of four outcropping sulphide shears.



Outcropping nickel sulphide mineralisation at Koube Creek

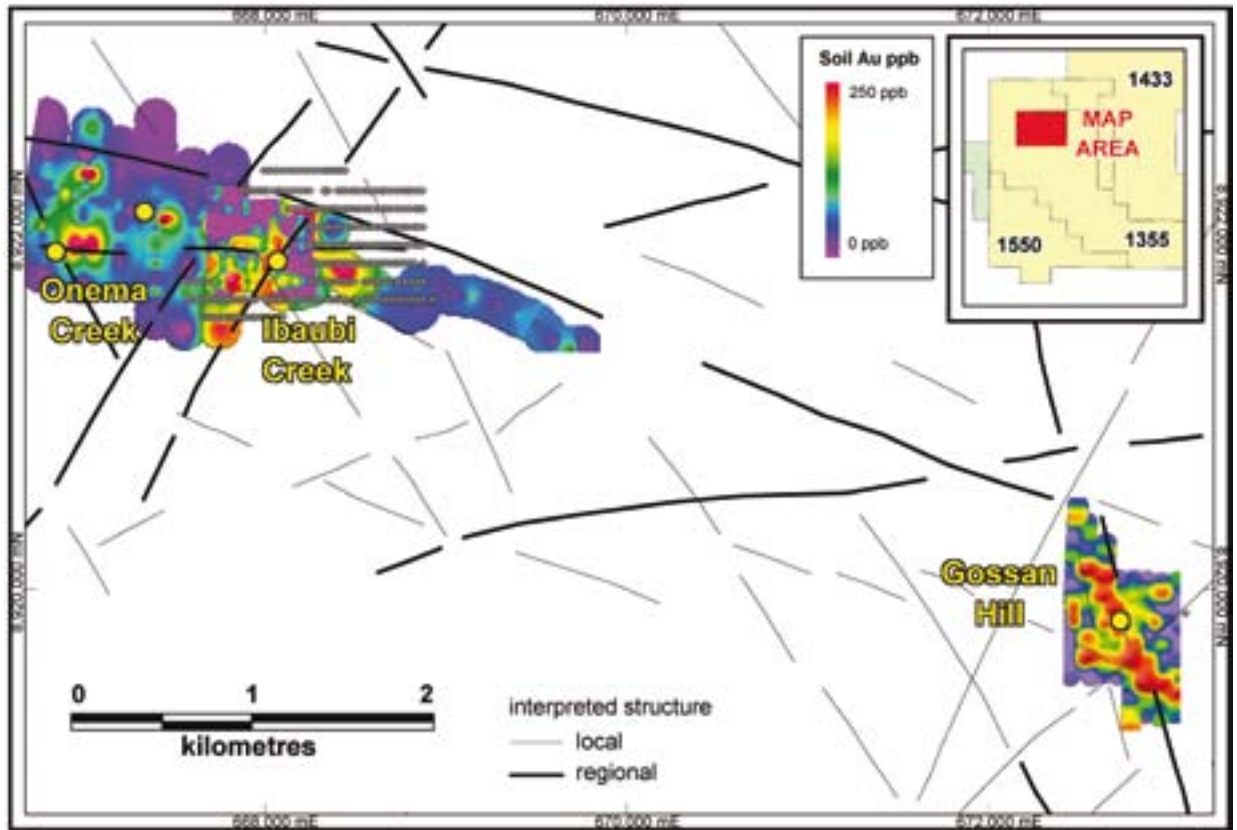


Figure 3: The Foasi-Gossan Hill area within EL1355 showing the Ibaubi and Gossan Hill soil anomalies.

GOLD AND GOLD-COPPER EXPLORATION

Goldminex has previously reported multiple occurrences of high-grade gold-copper mineralisation from its project area. The initial phases of exploration work were of a reconnaissance nature (including stream sediment, float and rock chip sampling and trenching) concentrated on locating occurrences of mineralisation for further follow-up. This work succeeded in defining multiple occurrences of gold-copper mineralisation over a large area in the northern part of tenement EL1355.

The company recognised that these occurrences were part of a larger-scale mineralised system identified as the Foasi-Gossan Hill area (Figure 3). The focus of current gold-copper exploration activity is to systematically explore this corridor to define drill targets that may host substantial resources. To help achieve this aim, a systematic programme of grid soil geochemical sampling has commenced over the higher-priority sections of this corridor. Although this programme is ongoing, it has already succeeded in defining two significant large-scale coherent gold soil geochemical anomalies at Gossan Hill and Ibaubi Creek at Foasi.

Gossan Hill (EL1355)

At listing, Gossan Hill mineralisation was 400m in strike length. Geochemical work has since increased this to greater than 800m in strike length with potential for further increases as the grid is expanded. This anomaly encompasses the area where high-grade mineralisation has previously been reported from trench sampling (Figures 4, 5). The main axis of the anomaly trends NNW but the data also suggest an additional WNW trend in the southern part of the prospect area.

Three trenches within this high grade zone previously reported:

Trench 9	14m@9.1g/t Au
Trench 17	10m@24.4 g/t Au
Trench 18	21.8m@8.5g/t Au

Drilling of Gossan Hill is planned for the end of calendar 2008. The central zone has been surveyed and a drill plan is being developed to test near surface mineralisation prior to stepping out and testing progressively deeper sections.

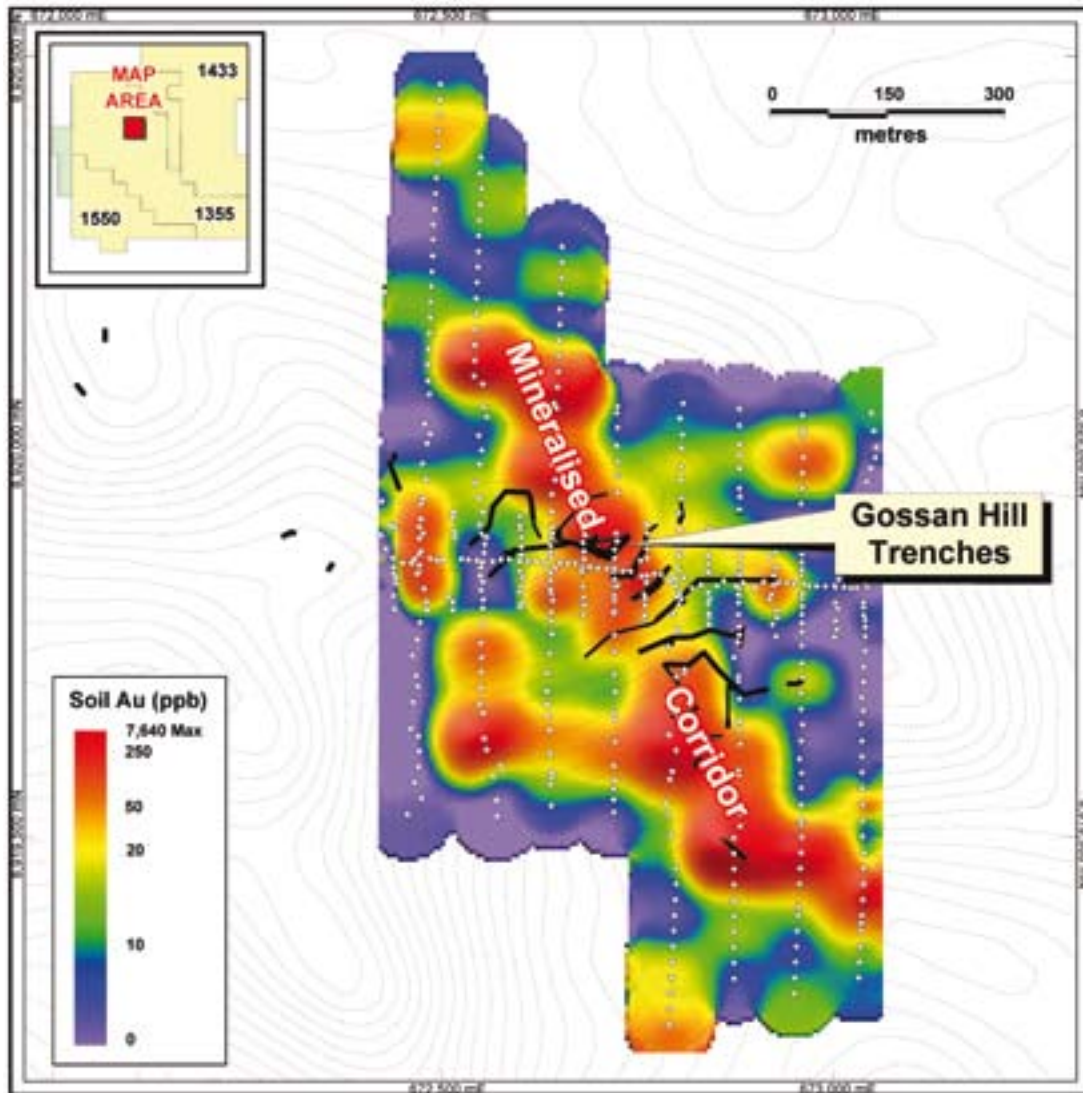


Figure 4: Gossan Hill soil geochemical anomaly.

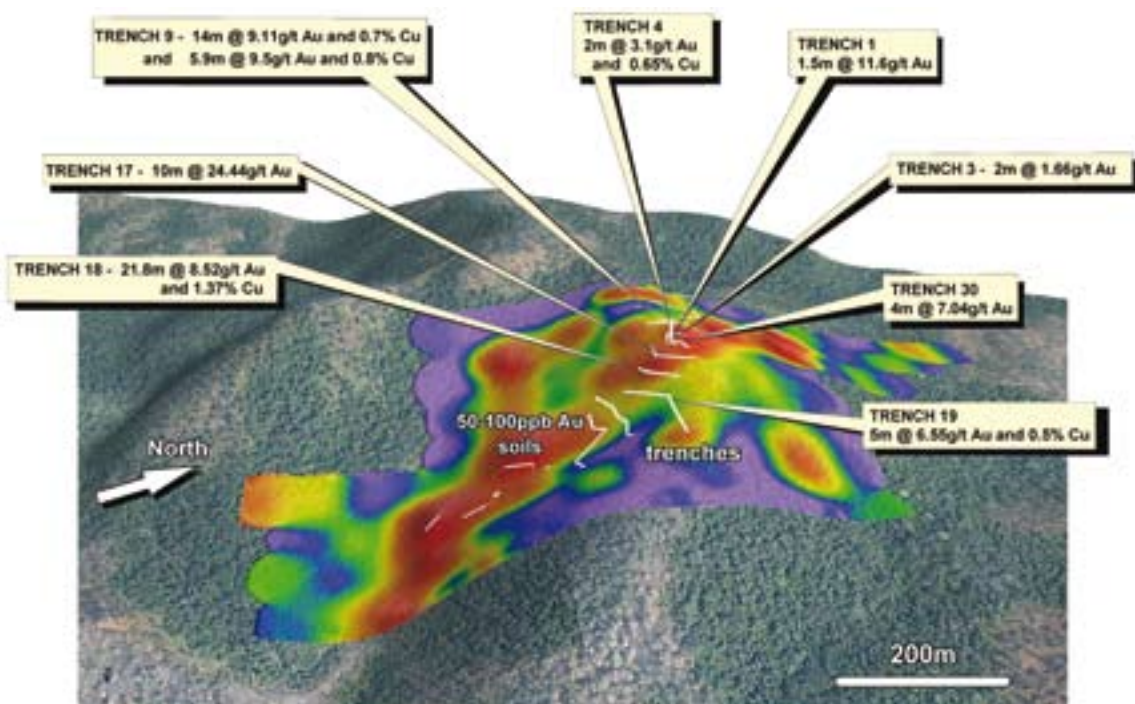


Figure 5: Relationship of Gossan Hill soil geochemical anomaly to previously reported high-grade mineralisation sampled in trenches.

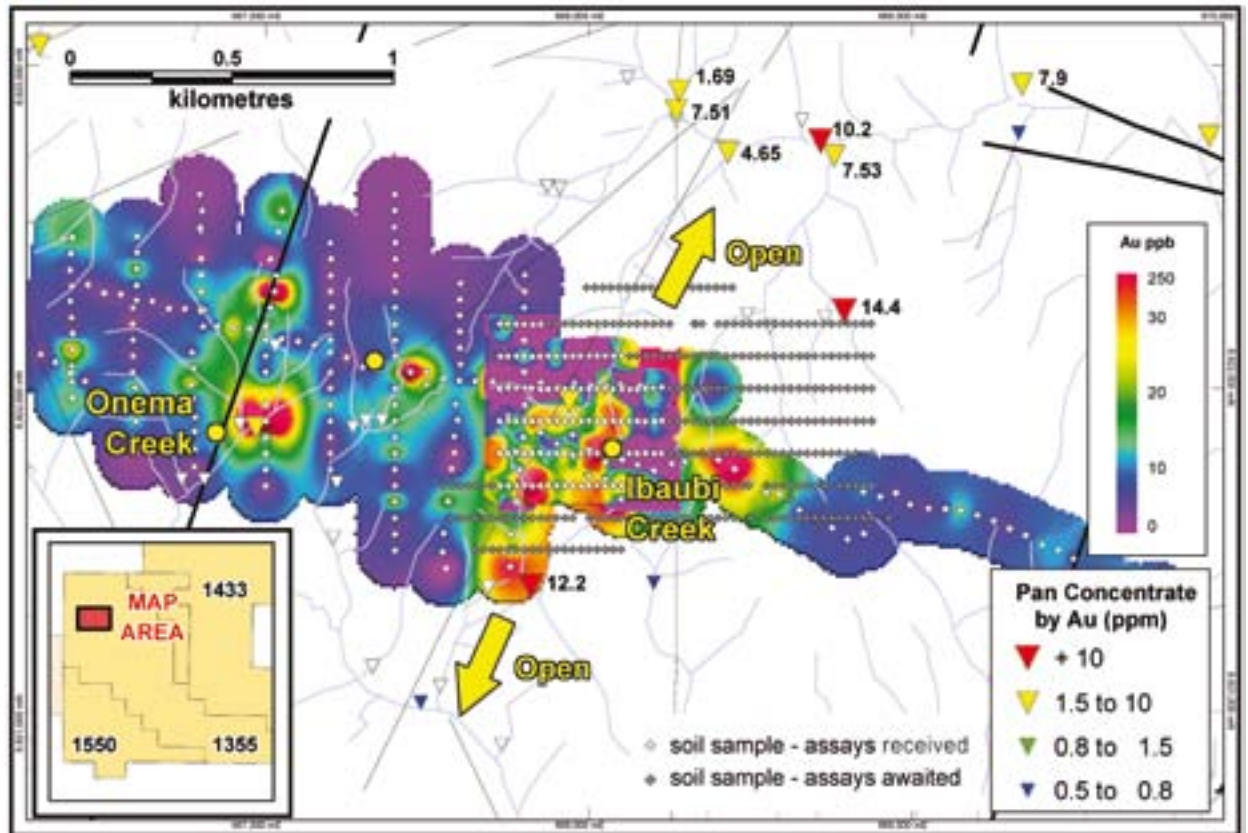


Figure 6: Ibaubi Creek geochemical anomaly.

Foasi System (EL1355)

The Foasi area features a large area of alteration in excess of 25km², containing zones of shear hosted gold and copper mineralisation. Extensive soil gridding has confirmed Yuwaiya Creek and Ibaubi Creek as primary prospects for follow-up work.

Ibaubi Creek

A 900m long, 100-200m wide coherent NNE-trending gold-copper soil anomaly has been defined at the Ibaubi Creek prospect in the Foasi area, approximately 5km WNW of Gossan Hill. This anomaly is also open along strike in both directions. It is associated with highly anomalous results in stream sediment pan-concentrate sampling of up to 12.2g/t Au. These stream sediment results suggest that the anomaly may be significantly more extensive than so far defined since the higher values have been obtained from streams that are either draining the area of the soil anomaly, or streams draining the area of the currently unsampled strike-projection of this anomaly to the NNE (Figure 6). This

anomaly has a NNE-trend, parallel to that of a structure interpreted from satellite imagery. It is also coincident with the trend of a topographic ridge.

The highest of these anomalous values was 12.2g/t Au but other values draining this anomalous NNE-trending corridor include 4.65g/t Au, 7.53g/t Au, 3.46g/t Au and 10.2g/t Au. These stream sediment results suggest that the currently defined soil anomaly may be extended in both directions.

EXPLORATION METHODS

Goldminex has systematically field tested and trialed a number of exploration methods and techniques since it began exploration activities in the region. We have optimised and refined a suite of conventional methods such as geochemical sampling, field mapping and trenching, with satellite imagery and geophysical methods to augment the fieldwork. Geochemical sampling is delivering excellent results as sampling methods and depths have been

optimised in both the nickel and gold copper areas. The increasing number of regional samples allows statistically useful comparisons in different terrains. We have developed a first class Geographical Information System (GIS) database of all geological and exploration data.

The exploration model, as a result, continues to be developed and refined as a predictive tool to both extend existing mineralisation and to find new zones of mineralisation. We have utilised technologies and methods to complement our exploration activities such as an Electro Magnetic (EM) survey to search for new sulphide mineralised zones and also to try and delineate the subsurface extent of surface mineralisation discovered to date.

Gossan Hill and Iyewe Creek prospects are being prepared as the first two areas to be drilled this year. A diamond drilling contractor is preparing to mobilise a heli-portable rig on-site during November.



Keuka base camp

GEOLOGICAL TEAM

Our geological team consists of a diverse group of National and expatriate geologists with up to 40 years field experience. We have carefully selected the current team for their experience and fit in the exploration team. The quality of the project itself is attracting experienced geologists from PNG and Australia.

Where we have required technical expertise outside of our in-house capabilities, we have successfully retained what we believe to be a World class group of consultants with a track record of making discoveries to augment our skillset. We are starting to achieve critical mass with this combined team in the central tenements, and have recently expanded regional exploration activities using the knowledge base developed to date.

We employ a seasoned team of geological field assistants who are the backbone of our field operations. Our field assistants excel at managing gridding, sampling and field logistics.

Our sampling and assaying activities have benefitted from a long association with SGS Laboratories in Townsville. This group has excelled in managing our developing sampling requirements, optimising high-grade nickel assaying methods and tailoring our geochemical sampling methods whilst maintaining excellent quality assurance. We look forward to continuing the valuable relationships we have developed with our service providers and consultants.

LOGISTICS AND SAFETY

A critical part of our success to date lies with our logistics and support staff; both in PNG and Australia. This group has set high standards in establishing an efficient base camp that effectively manages the movement of personnel and supplies in a safe and timely manner.

Safety has been integrated into the exploration process from early days. We have a paramedic on-site, comprehensive emergency procedures and good communications. The Company is very conscious of providing a safe work environment and maintains a proactive role in this essential area.

COMMUNITY RELATIONS

We have enjoyed good relationships with local landowners since commencing activities in the region. The Company employs many local people from each exploration area to assist our geological team. Some of the area landowners actively prospect on behalf of the Company while a number are being trained as field assistants.

The Company is employing community relations personnel who manage the interface with local landowners within the project area. These representatives ensure that our exploration activities are explained in detail to the community and maintain open communications with landowners, highlighting the mutual benefits of our exploration activities.

Our on-site medic has spent much of his time within the surrounding villages, training people in health and hygiene and treating the sick and injured. The Company has treated a number of people within our exploration area for malaria related illness, is distributing mosquito nets and providing training about malaria prevention.

SUMMARY

The Company has made a series of significant nickel and gold discoveries during the first half of 2008. We believe the combination of our quality exploration team and highly prospective tenement package will make additional discoveries over the short term as we begin to drill these targets. We look forward to sharing the results of our ongoing exploration programme with shareholders.

The management team has a clear objective to build shareholder value through the discovery of economic mineralisation. We are well-funded to actively pursue this objective, but more significantly have excellent prospectivity, a large tenement position, the people, expertise and systems to achieve this.



Sample collection from Foasi



Corporate Activity

CAPITAL RAISING

Goldminex raised \$22.0 million at an issue price of \$0.75 via an IPO in October 2007. In August this year, the Company raised an additional \$13.5 million through the issue of 6.75 million ordinary shares at \$2.00 per share. The issue price represented a 25% premium to the \$1.60 closing share price on 8 August 2008. Goldminex now has 67,023,722 shares on issue.

The funds raised will be used to scale-up and accelerate exploration activities, including more intensive regional exploration and additional geophysical surveying prior to planned drilling during the December Quarter. The significant premium to our historical market price demonstrated the recognition by investors of the potential of our projects and support of the Company's exploration strategy.

Goldminex is very privileged to have supportive shareholders who share our exploration vision for PNG. Many shareholders have provided assistance and contributed in areas other than funding. Directors wish to express their appreciation to all shareholders and look forward to rewarding them with results from the field. The Company is also fortunate to have the strong support of brokers, Royal Bank of Canada and Evans & Partners.



Field crew with samples from Veri Veri Creek



Directors' Report

The Directors of Goldminex Resources Limited submit herewith the annual financial report of the Company for the financial year ended 30 June 2008. In order to comply with the provisions of the Corporations Act 2001, the Directors' Report as follows:

DIRECTORS

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Adrian Fleming

Non-Executive Chairman
B. Sc(Hons); M. Aus IMM

Appointed: 31 August 2007

Experience:

Adrian is a geologist with more than 30 years experience in minerals exploration, mine development and mining operations including gold, base metals, diamonds, limestone, tin and uranium. He has held positions as General Manager of Exploration for Placer Pacific, Chief Executive Officer for Giant Yellowknife Mines in Toronto, Vice President of Exploration for Golden Star Resources in Denver and was founder of Underworld Resources Limited listed on the TSX in 2007.

Directorships in listed entities or their Manager where a listed trust:

Nil

Relevant interests in shares and options:

27,000 fully paid ordinary shares

Mr Basil Tambanis

Managing Director
B. Bus

Appointed: 24 April 2006

Experience:

Basil has over 15 years experience in the resources industry. He has worked in Australian and International minerals exploration and production, as well as resources corporate finance and investment banking. He has been closely associated with the development of the Goldminex project area in PNG since 2004.

He was instrumental in facilitating the listing of Goldminex on the ASX and raising significant capital to fund the Company's exploration activities. He continues to manage the strategic direction of the Company, oversee operations and maintain shareholder relations. Basil actively works with the PNG Government and landowners to maintain communications and pursue the mutual benefits of Goldminex's exploration activities in PNG.

Directorships in listed entities or their Manager where a listed trust:

Nil

Relevant interests in shares and options:

8,975,557 fully paid ordinary shares

4,900,000 options exercisable at \$0.25 on or before 20 April 2011



Mr Steven Tambanis

Executive Director
B. Sc; B. Ec; M. Aus IMM

Appointed: 31 August 2007

Experience:

Steven is a geologist with over 20 years of technical and financial experience in the mining industry. He has held a number of managerial positions in exploration, production and business development, for both small and large mining companies, and has worked in the resources broking and banking sectors. He spent seven years at WMC Resources in a corporate business development role, which provided valuable exposure to WMC's nickel business unit and exploration for nickel.

Directorships in listed entities or their Manager where a listed trust:

Nil

Relevant interests in shares and options:

8,975,554 fully paid ordinary shares

4,900,000 options exercisable at \$0.25 on or before 20 April 2011

Mr David Sode

Non-Executive Director
LLB

Appointed: 31 August 2007

Experience:

David is the CEO of PNG Sustainable Development Ltd (a majority shareholder of Ok Tedi Copper and Gold mine in PNG). His previous role as Commissioner General of the PNG Internal Revenue Commission provided strong experience in Customs and Excise, Taxation and Internal Revenue in PNG.

Directorships in listed entities or their Manager where a listed trust

Nil

Relevant interests in shares and options:

20,000 fully paid ordinary shares

Mr Colin Patterson

Non-Executive Director
BSc(Eng)Mining; BCom(Hons); FAICD;
F. Aus IMM; CPE (Mining)

Appointed: 31 August 2007

Experience:

Colin has in excess of 35 years experience in the mining industry in Australia, Asia and South Africa. Colin is CEO & President of Olympus Pacific Minerals Inc. a TSX listed company and was formerly Chief Executive Officer of the Australian listed companies Pan Palladium and Emperor Mines. He is also a non-executive director of Odin Mining and the Phoenix Gold fund, based in Malaysia.

Directorships in listed entities or their Manager where a listed trust:

Nil

Relevant interests in shares and options:

Nil

Mr Peter Tambanis

Director

Appointed: 24 April 2006

Resigned: 31 August 2007

Experience:

Peter was the founder of Goldminex and he commenced prospecting the relevant areas in PNG in 1998. During the early years he privately explored the region and solely funded the operation. He has extensive knowledge of the area and has developed very close and supportive relationships with the local communities and has fostered their active participation in the exploration activities. He has subsequently taken up the position of President of the Company.

Mr Wandu Yamuna

Director
LLB; LLM

Appointed: 24 April 2006

Resigned: 31 August 2007

Experience:

Wandu has had legal experience both in the public and private sectors and has operated his own private legal practice.

COMPANY SECRETARY

Mr Harry Hill

CPA; FCIS

Appointed: 11 April 2007

Experience:

Harry has over 30 years experience as a Company Secretary of several publicly listed companies involved in mining and minerals exploration and construction. He is a Certified Practising Accountant and a Fellow of the Institute of Corporate Managers, Secretaries and Administrators.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Information about the remuneration of Directors and Senior Management is set out in the Remuneration Report of this Directors' Report on pages 24 to 27.

SHARE OPTIONS GRANTED TO DIRECTORS AND SENIOR MANAGEMENT

Information about the share options granted to Directors and Senior Management is set out in the Remuneration Report of this Directors' Report on pages 24 to 27.

SHARE OPTIONS ON ISSUE AT YEAR END OR EXERCISED DURING THE YEAR

Details of unissued ordinary shares of the Company under option at the date of this report are as follows:

Item	Number of Shares under option	Exercise Price of options	Expiry Date of Options
Options	5,666,667	\$0.25	20 April 2011
Options	4,636,333	\$0.25	5 June 2011
Options	1,500,000	\$0.50	1 July 2012

The holders of these options do not have the right, by virtue of the option, to participate in any share or bonus issue of the company.

During the year and up to the date of this report 1,500,000 options were issued, and 5,151,500 options were exercised. At 30 June 2008 11,803,000 (2007: 15,454,500) options were on issue. Refer to Note 14 (c) to the financial statements for details of options exercised.

PRINCIPAL ACTIVITIES

The principal activities of the Group are the mineral exploration and development of assets in Papua New Guinea. No significant change in the nature of these activities occurred during the year.

OPERATING RESULTS

The Group's consolidated net loss for the year after applicable income tax was \$4,584,672 (2007: loss \$1,182,892).

REVIEW OF OPERATIONS

The Company's Review of Operations is in this Directors' Report on page 6.

REVIEW OF FINANCIAL CONDITION

The net assets of the consolidated entity have increased by \$21,249,527 to \$23,317,672 as at 30 June 2008 (2007: \$2,068,145). The major movements were due to capital raising through an initial public offering and exploration expenditure.

The consolidated entity's working capital, being current assets less current liabilities was \$16,540,297 compared with (\$459,492) in 2007.

As a result of the above together with the events occurring after balance date, the Directors believe the Company is in a strong and stable position to expand and grow its current operations.

FUTURE DEVELOPMENTS

Disclosure of further information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to consolidated entity. Accordingly, this information has not been disclosed in this report.

EVENTS SUBSEQUENT TO BALANCE DATE

There has not been any matter or circumstance, other than that referred to in Note 25, that has arisen since the end of the financial year, that has significantly affected or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

DIVIDENDS

No dividend has been declared or paid during the financial year and the Directors do not recommend the payment of any dividend in respect of the current or preceding financial years.

ENVIRONMENTAL REGULATIONS

The economic entity holds participating interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2008.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of the Court under Section 327 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any proceedings during the year.

DIRECTORS MEETINGS

The following table sets out the number of Directors meetings held during the financial year and the number of meetings attended by each Director. During the financial year, 10 board meetings, 2 audit committee meetings and 1 remuneration committee meeting were held.

	Board of Directors		Audit Committee		Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
Mr A Fleming (i)	7	7	2	2	1	1
Mr B Tambanis	10	10	-	-	1	1
Mr S Tambanis (i)	7	6	-	-	-	-
Mr D Sode (i)	7	5	2	2	1	1
Mr C Patterson (i)	7	7	2	2	-	-
Mr P Tambanis (ii)	3	3	-	-	-	-
Mr W Yamuna (ii)	3	3	-	-	-	-

(i) Appointed as a director on 31 August 2007

(ii) Resigned as a director on 31 August 2007

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company (as named above), the Company Secretary, and all Executive Officers of the Company and of any related body corporate against a liability incurred as such as Director, Secretary or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has entered into deeds of indemnity and access with each of its Directors and Officers (Deeds).

Pursuant to these Deeds, the Company will indemnify each person to the extent permitted by the Corporations Act against liabilities arising as a result of the person acting as an officer of the Company. The Company will be required under the Deeds to maintain insurance policies for the benefit of the relevant officer for the term of the appointment and for a period of seven years after retirement or resignation.

The Deeds will also provide for the right of access to Company records.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

NON-AUDIT SERVICES

The Directors are satisfied that the provision of non-audit services, during the year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standards of independence for auditors imposed by the Corporations Act 2001.

There were no non-audit services provided by the Company's auditor during the year to 30 June 2008.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration under s.307C of the Corporation Act 2001 in relation to the audit of the full year is included on page 30.

REMUNERATION REPORT (AUDITED)

The remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of Goldminex Resources Limited's Directors and its Senior Management for the financial year ended 30 June 2008. The prescribed details for each person covered by this report are detailed below under the following headings:

- Director and Senior Management details
- remuneration policy
- relationship between the remuneration policy and Company performance
- remuneration of Directors and Senior Management
- key terms of employment contracts.

Director and Senior Management Details

The following persons acted as Directors of the company during or since the end of the financial year:

Mr A Fleming
(Appointed 31 August, 2007)

Mr B Tambanis

Mr S Tambanis
(Appointed 31 August, 2007)

Mr D Sode
(Appointed 31 August, 2007)

Mr C Patterson
(Appointed 31 August, 2007)

Mr P Tambanis
(Resigned 31 August, 2007)

Mr W Yamuna
(Resigned 31 August, 2007)

The term 'Senior Management' is used in this remuneration report to refer to the following persons:

Mr Harry Hill

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

This report outlines the remuneration arrangements in place for Directors and Executives of Goldminex Resources Limited (the "Company").

The Board policy for determining the nature and amount of remuneration of Directors and Executives is agreed by the Board of Directors as a whole after review and recommendation by the Remuneration Committee. The Board obtains professional advice where necessary to ensure that the Company attracts and retains talented and motivated Directors and employees who can enhance Company performance through their contributions and leadership. The Company's corporate advisor recommended implementation of the Performance Rights Plan which would be beneficial to the interests of employees, Directors and shareholders to assist in the attraction, retention and motivation of employees and Directors. The Performance Rights Plan was approved at a General Meeting of shareholders.

Executive Director Remuneration

In determining the level and make-up of executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration consists of a fixed remuneration and a long term incentive portion as appropriate.

Non-Executive Director Remuneration

Non-Executive Director fees are paid within an aggregate limit which is approved by the shareholders from time to time. The limit of Non-Executive Director fees is set at a maximum of \$250,000. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act 2001 at the time of the Director's retirement or termination. Non-Executive Directors remuneration may include an incentive portion consisting of bonuses, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with the ASX Listing Rules.

The amount of aggregate remuneration sought to be approved by Shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers the amount of Directors fees being paid by comparable companies with similar responsibilities and the experience of the Non-Executive Directors when undertaking the annual review process.

The Company determines the maximum amount for remuneration, including thresholds for share-based remuneration, for Directors by resolution. Further details regarding components of Director and Executive remuneration are provided below.

Remuneration of Directors and Senior Management

The compensation of each member of the key management personnel of the consolidated entity is set out in the following table.

Details of Remuneration for Year Ended 30 June 2008

The remuneration for each Director and the Executive Officer of the consolidated entity receiving the highest remuneration during the year was as follows:

	Short-term employment benefits	Post-employment	Equity			Total
	Salary, Fees and Commissions	Superannuation Contribution	Shares Received as Compensation	Options Received as Compensation	Performance Rights Received as Compensation	
	\$	\$	\$	\$	\$	
Mr A Fleming	75,000	-	-	-	64,969	139,969
Mr B Tambanis	230,000	23,000	-	-	227,392	480,392
Mr S Tambanis	232,833	18,333	-	-	227,392	478,558
Mr D Sode	31,800	-	-	-	25,987	57,787
Mr C Patterson	29,167	2,625	-	-	25,987	57,779
Mr P Tambanis	140,000	14,000	-	-	227,392	381,392
Mr W Yamuna	-	-	-	-	-	-
Mr H Hill	34,167	3,075	-	-	32,484	69,726
	772,967	61,033	-	-	831,603 (i)	1,665,603

(i) For reporting purposes the share based payment for performance rights is calculated in accordance with AASB 2: Share Based Payments

Details of Remuneration for Year Ended 30 June 2007

The remuneration for each Director and each of the Executive Officer of the consolidated entity receiving the highest remuneration during the year was as follows:

	Short-term employment benefits	Post-employment	Equity			Total
	Salary, Fees and Commissions	Superannuation Contribution	Shares Received as Compensation	Options Received as Compensation	Performance Rights Received as Compensation	
	\$	\$	\$	\$	\$	
Mr A Fleming	6,250	-	-	-	-	6,250
Mr B Tambanis	275,833	27,583	-	-	-	303,416
Mr S Tambanis	147,000	-	-	-	-	147,000
Mr D Sode	-	-	-	-	-	-
Mr C Patterson	-	-	-	-	-	-
Mr P Tambanis	250,000	25,000	-	-	-	275,000
Mr W Yamuna	-	-	-	-	-	-
Mr H Hill	10,000	900	-	-	-	10,900
	689,083	53,483	-	-	-	742,566

Shares Issued as Part of Remuneration for the Year Ended 30 June 2008

There were no shares issued as part of remuneration for the year ended 30 June 2008.

Shares Issued as Part of Remuneration for the Year Ended 30 June 2007

There were no shares issued as part of remuneration for the year ended 30 June 2007.

Options Issued as Part of Remuneration for the Year Ended 30 June 2008

There were no options issued as part of remuneration for the year ended 30 June 2008.

Options Issued as Part of Remuneration for the Year Ended 30 June 2007

There were no options issued as part of remuneration for the year ended 30 June 2007.

Performance Rights Plan

The holders of these performance rights over ordinary shares will be entitled to be issued one (1) share for no monetary consideration provided the share price hurdle set out in the table below has been satisfied. For the share price hurdle to be satisfied the share price must exceed the hurdle on any period of 3 consecutive days prior to the exercise date.

This Performance Rights Plan was voted on at the General Meeting held on 31 August, 2007.

For reporting purposes the share based payment for performance rights is calculated in accordance with AASB 2: Share Based Payments.

	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Total
Share Price Hurdle	\$0.75	\$0.90	\$0.98	\$1.05	\$1.20	\$1.50	
Premium from Listing Price of \$0.75	0%	20%	30%	40%	60%	100%	
Months after Listing	9	6	12	18	24	24	

	No. of rights	No. of rights	No. of rights	No. of rights	No. of rights	No. of rights	No. of rights
Basil Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Steven Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Peter Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Adrian Fleming	31,250	31,250	31,250	31,250	39,063	35,937	200,000
David Sode	12,500	12,500	12,500	12,500	15,625	14,375	80,000
Colin Patterson	12,500	12,500	12,500	12,500	15,625	14,375	80,000
Harry Hill	15,625	15,625	15,625	15,625	19,530	17,970	100,000
Total	400,000	400,000	400,000	400,000	500,000	460,000	2,560,000

Performance Rights Entitlements as Part of Remuneration for the Year Ended 30 June 2008

	Number of Performance Rights (over ordinary shares)	Value of Performance Rights \$	% of compensation for the year consisting of Performance Right
Basil Tambanis	574,219	227,392	47.33%
Steven Tambanis	574,219	227,392	47.52%
Peter Tambanis	574,219	227,392	59.62%
Adrian Fleming	164,062	64,969	25.73%
David Sode	65,625	25,987	67.14%
Colin Patterson	65,625	25,987	44.98%
Harry Hill	82,031	32,484	46.59%
Total	2,100,000	831,603	49.93%

Performance Rights Entitlements as Part of Remuneration for the Year Ended 30 June 2007

There were no performance rights entitlements as part of remuneration for the year ended 30 June 2007.

Employment contracts

The Managing Director, Mr B Tambanis, is employed under a contract. The employment contract commenced on 1 January 2007 and is ongoing. Under the terms of the contract:

- Mr B Tambanis may resign from his position and thus terminate this contract giving 3 months written notice.
- The Company may terminate the agreement by providing 36 months written notice. The Company must pay an amount equal to the lesser of the full amount of fees for the balance of the term; or 24 months fees at the rate set out in the agreement.
- The Company may terminate the agreement at any time without notice if serious misconduct has occurred. Where termination with cause occurs Mr B Tambanis is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.
- Mr B Tambanis is deemed to have commenced employment with the Company from 1 January 2004

The Executive Director, Mr S Tambanis, is employed under a contract. The employment contract commenced on 1 September 2007 and is ongoing. Under the terms of the contract:

- Mr S Tambanis may resign from his position and thus terminate this contract giving 3 months written notice.
- The Company may terminate the agreement by providing 36 months written notice. The Company must pay an amount equal to the lesser of the full amount of fees for the balance of the term; or 24 months fees at the rate set out in the agreement.
- The Company may terminate the agreement at any time without notice if serious misconduct has occurred. Where termination with cause occurs Mr S Tambanis is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.

The President, Mr P Tambanis, is employed under a contract. The employment contract commenced on 1 September 2007 and is ongoing. Under the terms of the contract:

- Mr P Tambanis may resign from his position and thus terminate this contract giving 3 months written notice.
- The Company may terminate the agreement by providing 36 months written notice. The Company must pay an amount equal to the lesser of the full amount of fees for the balance of the term; or 12 months fees at the rate set out in the agreement.

- The Company may terminate the agreement at any time without notice if serious misconduct has occurred. Where termination with cause occurs Mr P Tambanis is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.

Signed in accordance with a resolution of the Directors' made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors



Basil Tambanis
Managing Director

Melbourne, 18 September 2008



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INDEPENDENT AUDITOR'S REPORT

To the members of Goldminex Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Goldminex Resources Limited (the company) which comprises the balance sheet as at 30 June 2008, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes

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evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Electronic Presentation of Audited Financial Report

This auditor's report relates to the financial report of Goldminex Resources Limited for the year ended 30 June 2008 included on Goldminex Resources Limited's web site. The company's directors are responsible for the integrity of the Goldminex Resources Limited web site. We have not been engaged to report on the integrity of the Goldminex Resources Limited's web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Independence

In conducting our audit, we complied with applicable independence requirements of the *Corporations Act 2001*.

Auditor's Opinion

In our opinion:

- (a) the financial report of Goldminex Resources Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2008 and of their performance for the year ended on that date; and
 - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report


We have audited the Remuneration Report included in pages 24 to 27 of the directors' report for the year ended 30 June 2008. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Goldminex Resources Limited for the year ended 30 June 2008, complies with section 300A of the *Corporations Act 2001*.



GRANT THORNTON
Chartered Accountants



Brad Taylor
Partner
Melbourne, 18 September 2008



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**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF GOLDMINEX RESOURCES LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Goldminex Resources Limited for the year ended 30 June 2008, 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 2001 in relation to the audit; and
- b No contraventions of any applicable code of professional conduct in relation to the audit.

A stylized signature of the Grant Thornton firm, written in a cursive script.

GRANT THORNTON
Chartered Accountants

A handwritten signature of Brad Taylor in black ink.

Brad Taylor
Partner
Melbourne, 18 September 2008



Directors' Declaration

The Directors declare that:

- a) 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;
- b) in the Directors opinion, the remuneration report, the attached financial statements and notes thereto, are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity; and
- c) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.

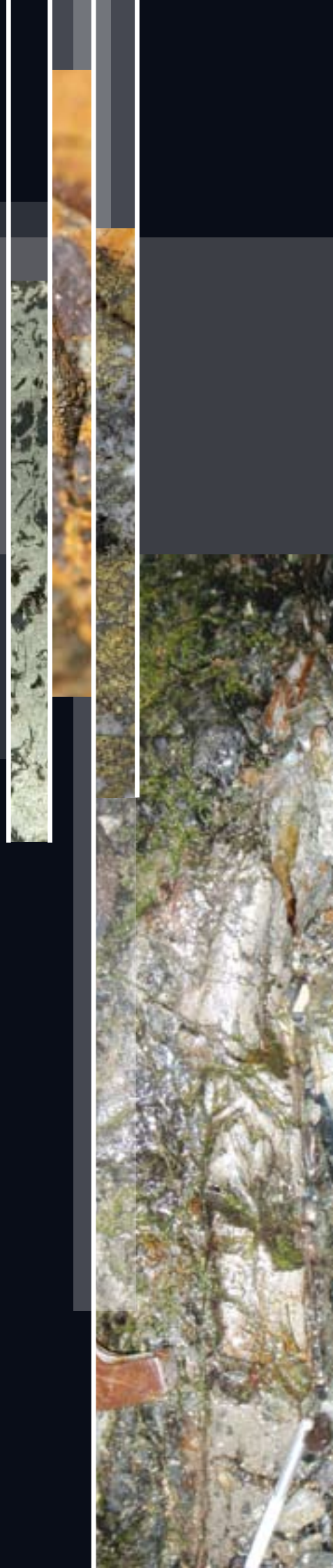
On behalf of the Directors



Basil Tambanis
Managing Director
Melbourne, 18 September 2008

Financial Report

for the year ended 30 June 2008



INCOME STATEMENT

for the year ended 30 June 2008

	Note	Consolidated Entity		Parent Entity	
		2008	2007	2008	2007
		\$	\$	\$	\$
Revenue	2	936,823	70,593	936,823	70,593
Corporate expenses		(314,052)	–	(292,169)	–
Administrative expenses		(334,805)	(64,269)	(265,370)	(64,269)
Depreciation		(32,080)	(5,307)	(14,693)	(5,307)
Share Based Payments		(4,345,630)	(958,497)	(4,345,630)	(958,497)
Employment and Consulting expenses		(494,928)	(225,412)	(494,928)	(225,412)
Loss before income tax expense		(4,584,672)	(1,182,892)	(4,475,967)	(1,182,892)
Income tax expense	4	–	–	–	–
Loss for the year		(4,584,672)	(1,182,892)	(4,475,967)	(1,182,892)
Loss per Share		Cents per share			
Basic Loss per share	22	(9.19)	(7.90)		
Diluted Loss per share	22	(9.19)	(7.90)		

This statement is to be read in conjunction with the accompanying notes.

BALANCE SHEET

as at 30 June 2008

	Note	Consolidated Entity		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
Current Assets					
Cash and cash equivalents	20(a)	17,503,201	685,811	17,502,192	685,811
Trade and other receivables	7	168,950	20,713	168,950	20,713
Other current assets	8	14,702	–	3,532	–
Total Current Assets		17,686,853	706,524	17,674,674	706,524
Non-Current Assets					
Plant and equipment	9	112,834	19,892	21,924	19,892
Other financial assets	10	–	2,504,995	6,188,092	2,504,995
Other non-current assets	11	6,682,431	2,750	–	2,750
Total Non-Current Assets		6,795,265	2,527,637	6,210,016	2,527,637
Total Assets		24,482,118	3,234,161	23,884,690	3,234,161
Current Liabilities					
Trade and other payables	12	1,106,103	1,006,817	551,548	1,006,817
Employee benefits	13	40,453	159,199	40,453	159,199
Total Current Liabilities		1,146,556	1,166,016	592,001	1,166,016
Non-Current Liabilities					
Employee benefits	13	17,890	–	17,890	–
Total Non-Current Liabilities		17,890	–	17,890	–
Total Liabilities		1,164,446	1,166,016	609,891	1,166,016
Net Assets		23,317,672	2,068,145	23,274,799	2,068,145
Equity					
Issued Capital	14	26,390,957	2,296,567	26,390,957	2,296,567
Reserves	15	2,227,228	958,497	2,227,228	958,497
Accumulated losses		(5,300,513)	(1,186,919)	(5,343,386)	(1,186,919)
Total Equity		23,317,672	2,068,145	23,274,799	2,068,145

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2008

Consolidated	Issued Capital Note 14 \$	Retained Earnings \$	Reserves Note 15 \$	Total \$
Balance as at 1 July 2006	200,000	(4,027)	–	195,973
Loss for the period ⁽ⁱ⁾	–	(1,182,892)	–	(1,182,892)
Issue of Options	–	–	958,497	958,497
Issue of Shares	2,300,004	–	–	2,300,004
Costs of Capital Raising	(203,437)	–	–	(203,437)
Equity as at 30 June 2007	2,296,567	(1,186,919)	958,497	2,068,145
Equity as at 1 July 2007	2,296,567	(1,186,919)	958,497	2,068,145
Loss for the period ⁽ⁱ⁾	–	(4,584,672)	–	(4,584,672)
Issue of Options	–	–	750,000	750,000
Exercise of Options	1,287,875	319,500	(319,500)	1,287,875
Issue of Performance Rights	–	–	831,603	831,603
Exchange differences	–	–	6,628	6,628
Adjustment on consolidation	–	151,578	–	151,878
Issue of Shares to Related Party	2,100,000	–	–	2,100,000
Issue of shares under IPO	22,050,000	–	–	22,050,000
Costs of Capital Raising	(1,343,485)	–	–	(1,343,485)
Equity as at 30 June 2008	26,390,957	(5,300,513)	2,227,228	23,317,672

Parent	Issued Capital Note 14 \$	Retained Earnings \$	Reserves Note 15 \$	Total \$
Equity as at 1 July 2006	200,000	(4,027)	–	195,973
Loss for the period ⁽ⁱ⁾	–	(1,182,892)	–	(1,182,892)
Issue of Options	–	–	958,497	958,497
Issue of Shares	2,300,004	–	–	2,300,004
Costs of Capital Raising	(203,437)	–	–	(203,437)
Equity as at 30 June 2007	2,296,567	(1,186,919)	958,497	2,068,145
Equity as at 1 July 2007	2,296,567	(1,186,919)	958,497	2,068,145
Loss for the period ⁽ⁱ⁾	–	(4,475,967)	–	(4,475,967)
Issue of Options	–	–	750,000	750,000
Exercise of Options	1,287,875	319,500	(319,500)	1,287,875
Issue of Performance Rights	–	–	831,603	831,603
Exchange differences	–	–	6,628	6,628
Issue of Shares to Related Party	2,100,000	–	–	2,100,000
Issue of shares under IPO	22,050,000	–	–	22,050,000
Costs of Capital Raising	(1,343,485)	–	–	(1,343,485)
Equity as at 30 June 2008	26,390,957	(5,343,386)	2,227,228	23,274,799

(i) Loss for the period equals total recognised income and expense for the period. This statement is to be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT

for the year ended 30 June 2008

	Note	Consolidated Entity		Parent Entity	
		2008 \$	2007 \$	2008 \$	2007 \$
Cash Flows From Operating Activities					
Interest received		885,825	70,593	885,825	70,593
Payments to suppliers and employees		(469,936)	(50,498)	(1,078,887)	(50,498)
Net cash used in/(provided by) operating activities	20(c)	415,889	20,095	(193,062)	20,095
Cash Flows From Investing Activities					
Payments for financial assets		–	(1,642,862)	(3,680,347)	(1,642,862)
Payments for property, plant and equipment		(130,328)	(24,358)	(16,725)	(24,358)
Payments for exploration expenditure		(4,174,684)	(2,750)	–	(2,750)
Net cash used in investing activities		(4,305,012)	(1,669,970)	(3,697,072)	(1,669,970)
Cash Flows From Financing Activities					
Proceeds from issue of equity securities		22,050,000	2,175,975	22,050,000	2,175,975
Payment for share issue costs		(1,343,485)	–	(1,343,485)	–
Net cash flows from financing activities		20,706,515	2,175,975	20,706,515	2,175,975
Net increase in cash and cash equivalents		16,817,390	526,100	16,816,381	526,100
Cash and cash equivalents at beginning of the financial year		685,811	159,711	685,811	159,711
Cash and cash equivalents at the end of the financial year	20(a)	17,503,201	685,811	17,502,192	685,811

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2008

1. Summary Of Accounting Policies

Corporate Information

Goldminex Resources Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report includes the separate financial statements of the Company and the consolidated financial statements of the Group.

The financial report complies with all Australian Accounting Standards, and International Financial Reporting Standards ("IFRS").

The financial statements were authorised for issue by the Directors on 18 September 2008.

Basis of preparation

The financial report has been prepared on the basis of historical cost except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets received. All amounts are presented in Australian dollars, unless otherwise noted.

Adoption of new and revised Accounting Standards

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The Company has also adopted the following standards as listed below which impacted on the Company's financial statements with respect to disclosure.

- AASB 101 'Presentation of Financial Statements (revised October 2006)'
- AASB 7 'Financial Instruments: Disclosures'
- AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments'
- AASB 2007-7 'Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128] and Erratum: Proportionate Consolidation [AASB 101, AASB 107, AASB 121, AASB 127, Interpretation 113]'

Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described below, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affect both current and future periods.

Consolidation

The consolidated financial statements comprise the financial statements of Goldminex Resources Limited and its subsidiaries as at 30 June each year ("the Group").

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All intercompany balances and transactions have been eliminated in full.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which Goldminex Resources Limited has control.

At 30 June 2008 there were 2 subsidiary entities, as detailed in Note 23.

(a) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at date of acquisition.

(b) Financial instruments issued by the company

Issued Capital

Ordinary shares are classified as equity. For further information see Note 14.

Transaction costs on the issue of equity instruments

Transaction costs arising on the issue of equity instruments are recognised directly in equity as a reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

(c) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Impairment of assets

At each reporting date or more frequently if events or changes in circumstances indicate a possible impairment, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are largely independent from other assets, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset, excluding goodwill (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(e) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or taxable loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax

liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income in the income statement, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(f) Exploration Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- i the rights to tenure of the area of interest are current; and
- ii at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(g) Financial Assets

Financial assets can be classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Group holds no financial assets 'at fair value through profit or loss', 'held-to-maturity investments' or 'available-for-sale' financial assets.

Investments

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements as the fair value cannot be reliably determined.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Effective Interest Rate Method

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate method for debt instruments other than those financial assets at 'fair value through profit and loss.'

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial assets the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account.

When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(h) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

The gain or loss arising on disposal or retirement of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The following useful lives are used in the calculation of depreciation:

Plant and equipment 2 – 15 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of plant and equipment exceeds the recoverable amount the asset is immediately written down to its recoverable amount.

(i) Share Based Payments

Equity-settled share-based payments with employees and other providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of a Black-Scholes-Merton model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details on how the fair value of equity-settled share-based transactions has been determined can be found in Note 24.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

(j) Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under AASB 3 'Business Combinations' are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment,

the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

(k) Foreign Currency

The individual financial statements of each group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of Goldminex Resources Limited and the presentation currency for the consolidated financial statements.

When the presentation currency is different from the functional currency, that fact shall be stated, together with disclosure of the functional currency and the reason for using a different presentation currency.

When there is a change in the functional currency of either the reporting entity or a significant foreign operation, that fact and the reason for the change in functional currency shall be disclosed.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in the foreign currency translation reserve in the period in which they arise.

(l) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date. Consideration is given to expected future wage and salary rates, expected employee departures and expected periods of service. Expected future payments are discounted using government bond rates, that match, as closely as possible the terms and maturity of expected future cash outflows.

(m) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest Revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(n) Standards and Interpretations issued not yet effective

At the date of authorisation of the financial report, the Standards and Interpretation listed below were in issue but not yet effective.

Initial application of the following Standards will not affect any of the amounts recognised in the financial report, but will change the disclosures presently made in relation to the Group and the company's financial report:

- | | |
|---|--|
| • AASB 101 'Presentation Statements' (revised September 2007) | • Effective for annual of reporting periods beginning on or after 1 January 2009 |
|---|--|

Initial application of the following Standards and Interpretations is not expected to have any material impact on the financial report of the Group and the company:

- | | |
|---|--|
| • AASB 123 'Borrowing Costs' (revised) | • Effective for annual of reporting periods beginning on or after 1 January 2009 |
| • AASB 2008-5 and AASB 2008-6 'Amendments to Australian Accounting Standards – Annual Improvements Project, amend 26 Standards | • Effective for annual of reporting periods beginning on or after 1 January 2009 |
| • AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate. | • Effective for annual of reporting periods beginning on or after 1 January 2009 |

The potential effect of the initial application of the expected issue of an Australian equivalent accounting standard to the following Standard has not yet been determined:

- | | |
|--|--|
| • IFRS 3 'Business Combinations' and IAS 27 'Separate and Consolidated Financial Statements' | • Effective for annual of reporting periods beginning on or after 1 January 2009 |
|--|--|

(o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the entity, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2. Revenue

Note	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Revenue from continuing operations consisted of the following items				
Other Income				
Interest revenue – bank deposits	936,823	70,593	936,823	70,593
Total Revenue	936,823	70,593	936,823	70,593

3. Loss From Operations

Loss before income tax has been arrived at after crediting/(charging) the following gains and losses from continuing operations

Depreciation of non-current assets	32,080	5,307	14,693	5,307	
Post employment benefit – Contribution plans	66,358	15,439	66,358	15,439	
Share based payments:					
Equity settled share based payments	24	4,345,630	958,497	4,210,184	958,497

4. Income Tax Expense

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
(a) The Components of Tax Expense comprise:				
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
	-	-	-	-
(b) The prima facie tax on the loss for the year before income tax is reconciled to the income tax expense as follows:				
Loss for the year	(4,584,672)	(1,182,892)	(4,475,967)	(1,182,892)
Income tax benefit calculated at 30%	(1,375,402)	(354,868)	(1,342,790)	(354,868)
Add Tax Effect of:				
- Share Based Payments	1,303,689	287,549	1,303,689	287,549
- Other Permanent Differences	2,038	-	2,038	-
	(69,675)	(67,319)	(37,063)	(67,319)
Add/(Less) Tax effect of Timing Differences				
- Tax Rate Differential on Foreign Income/Loss	(338,992)	-	-	-
- Provisions and Accruals	29,346	20,098	25,956	20,098
- Capitalised Deductible Exploration Expenditure	(2,004,729)	-	-	-
- Deductible Black Hole Expenditure	(92,815)	(12,206)	(92,815)	(12,206)
	(2,476,865)	(59,427)	(103,923)	(59,427)
Add Income tax losses carried forward not taken up as a benefit	2,476,865	59,427	103,923	59,427
Tax Expense	-	-	-	-
Future income tax benefit not brought to account as assets:				
- Tax Losses	2,537,501	60,635	164,558	60,635
- Temporary Differences	(2,060,307)	7,891	(58,968)	7,891
	477,194	68,526	105,590	68,526

The taxation benefits of tax losses and temporary differences not brought to account will only be obtained if:

- i) The consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised.
- ii) The consolidated entity continues to comply with the conditions for deductibility imposed by law, and
- iii) No change in tax legislation adversely affects the consolidated entity in realising the benefits from deducting the losses.

5. Key Management Personnel Compensation

(a) The key management personnel of Goldminex Resources Limited during the year were:

Mr A Fleming	Chairman – Non Executive	Mr B Tambanis	Managing Director – Executive
Mr S Tambanis	Technical Director – Executive	Mr D Sode	Director – Non-Executive
Mr C Patterson	Director – Non-Executive	Mr P Tambanis	Founder/President
Mr W Yamuna	Country Manager – PNG	Mr H Hill	Company Secretary and CFO

(b) Compensation practices

Refer to Remuneration Report contained within the Directors' Report.

(c) Key Management Personnel Compensation

The aggregate compensation of the Directors and senior management of the consolidated entity and the company is set out below:

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Short-term employment benefits	772,967	689,083	772,967	689,083
Post-employment benefits	61,033	53,483	61,033	53,483
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payments	831,603	-	831,603	-
	1,665,603	742,566	1,665,603	742,566

Refer to Remuneration Report contained within the Directors' Report for details of the remuneration for each of the Directors and senior management.

(d) Option holdings by Key Management Personnel or their nominees

	Balance 1.7.2006 No.	Granted as Compensation No.	Options Exercised No.	Net Change Other No.	Balance 30.6.2007 No.
A Fleming	-	-	-	-	-
B Tambanis/S Tambanis/P Tambanis ⁽¹⁾	7,150,000	-	-	-	7,150,000
D Sode	-	-	-	-	-
C Patterson	-	-	-	-	-
W Yamuna	350,000	-	-	-	350,000
H Hill	-	-	-	-	-
	7,500,000	-	-	-	7,500,000

(1) Options held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

	Balance 1.7.2007 No.	Granted as Compensation No.	Options Exercised No.	Net Change Other No.	Balance 30.6.2008 No.
A Fleming	-	-	-	-	-
B Tambanis/S Tambanis/P Tambanis ⁽¹⁾	7,150,000	-	(2,250,000)	-	4,900,000
D Sode	-	-	-	-	-
C Patterson	-	-	-	-	-
W Yamuna	350,000	-	(116,667)	(233,333)	-
H Hill	-	-	-	-	-
	7,500,000	-	(2,366,667)	(233,333)	4,900,000

(1) Options held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

5. Key Management Personnel Compensation (Continued)

(e) Shareholdings by Key Management Personnel or their nominees

	Balance 1.7.2006 No.	Received as Compensation No.	Shares No.	Net Change Other No.	Balance 30.6.2007 No.
A Fleming	-	-	-	-	-
B Tambanis/S Tambanis/P Tambanis ⁽¹⁾	6	-	8,678,878	(4,400,000)	4,278,884
B Tambanis	3	-	-	-	3
D Sode	-	-	-	-	-
C Patterson	-	-	-	-	-
P Tambanis	-	-	855,556	-	855,556
W Yamuna	1	-	916,667	(200,000)	716,668
H Hill	-	-	-	-	-
	10	-	10,451,101	(4,600,000)	5,851,111

(1) Shares held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

	Balance 1.7.2007 No.	Received as Compensation No.	Shares No.	Net Change Other No.	Balance 30.6.2008 No.
A Fleming	-	-	-	27,000	27,000
B Tambanis/S Tambanis/P Tambanis ⁽¹⁾	4,278,884	-	5,416,670	-	9,695,554
B Tambanis	3	-	-	-	3
D Sode	-	-	-	20,000	20,000
C Patterson	-	-	-	-	-
P Tambanis ⁽²⁾	855,556	-	-	(855,556)	-
W Yamuna ⁽²⁾	716,668	-	116,667	(833,335)	-
H Hill	-	-	-	-	-
	5,851,111	-	5,533,337	(1,641,891)	9,742,557

(1) Shares held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust

(2) Resigned 31 August 2007

6. Auditors Remuneration

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Auditor of the Parent Entity – Grant Thornton				
Auditing or reviewing the financial report	27,500	-	27,500	-
Auditor of the Parent Entity – Leydin Freyer				
Auditing or reviewing the financial report	-	7,613	-	7,613
Review of prospectus	11,000	-	11,000	-
	11,000	7,613	11,000	7,613

7. Trade And Other Receivables

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Current				
Goods and services tax recoverable	117,952	20,713	117,952	20,713
Other receivables	50,998	–	50,998	–
	168,950	20,713	168,950	20,713

The average credit period on trade and other receivables is 30 days. Due to the short term nature of the receivables their carrying value is assumed to approximate their fair value. No collateral or security is held. No interest is charged on the receivables. The consolidated entity has financial risk management policies in place to ensure that all receivables are received within the credit timeframe.

8. Other Current Assets

Prepayments	6,848	–	3,532	–
Rental bonds	7,854	–	–	–
	14,702	–	3,532	–

9. Plant and Equipment

Plant and equipment at cost	150,221	25,199	41,924	25,199
Less accumulated depreciation	(37,387)	(5,307)	(20,000)	(5,307)
	112,834	19,892	21,924	19,892

Plant and Equipment

Reconciliation of carrying value

Carrying amount at beginning of the year	19,892	–	19,892	841
Additions	125,022	25,199	16,725	24,358
Depreciation expense	(32,080)	(5,307)	(14,693)	(5,307)
Carrying amount at end of the year	112,834	19,892	21,924	19,892

None of the plant and equipment has been pledged as collateral or security.

10. Other Financial Assets

Non-Current

Loans to director related entity ⁽ⁱ⁾	–	2,504,995	–	2,504,995
Loans to subsidiaries ⁽ⁱⁱ⁾	–	–	6,188,092	–

(i) The loan to a director related entity represents exploration expenditure incurred by the Goldminex Ltd, a PNG entity and funded by Goldminex Resources Limited, an Australian entity.

(ii) Receivables from entities within the wholly owned group arise from Goldminex Resources Limited funding the Exploration Expenditure for its subsidiaries. The intercompany loan receivable is repayable when the subsidiary is in a financial position to repay and the outstanding balance does not incur any interest. Due to the nature of the receivable balances, no collateral or security is held.

11. Exploration Expenditure

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Exploration Expenditure (Note 1(g))	6,682,431	2,750	–	2,750
<i>Reconciliation of exploration expenditure</i>				
Balance at beginning of the year	2,750	–	2,750	–
Acquisition of exploration expenditure	3,414,666	2,750	–	2,750
Acquisition of previous years exploration expenditure on consolidation	3,265,015	–	(2,750)	–
Balance at end of the year	6,682,431	2,750	–	2,750

12. Trade And Other Receivables

Current

Trade payables ⁽¹⁾	983,164	402,307	428,609	402,307
Amounts payable to:				
– Key management personnel	87,591	604,510	87,591	604,510
Sundry payables and accrued expenses	35,348	–	35,348	–
	1,106,103	1,006,817	551,548	1,006,817

(1) The average credit period on purchases is 30 days. No interest is charged on the trade payables. The consolidated entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

13. Employee Entitlements

Current

Provision for annual leave	40,453	159,199	40,453	159,199
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Non-Current

Provision for long service leave	17,890	–	17,890	–
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14. Issued Capital

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
60,273,722 fully paid ordinary shares (2007 : 22,222,222)	26,390,957	2,296,567	26,390,957	2,296,567

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Changes to corporations law abolished the authorised capital and par value concept in relation to the Share Capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

(a) Fully paid ordinary shares	2008 No.	2008 \$	2007 No.	2007 \$
	Balance at beginning of financial year	22,222,222	2,296,567	800,010
Placement of shares at 25 cents per share	–	–	9,200,000	2,300,000
Issue of shares to Directors or nominees	3,500,000	2,100,000	12,222,212	4
Issue of shares in public offer	29,400,000	22,050,000	–	–
Exercise of options	5,151,500	1,287,875	–	–
Less: Costs of capital raising	–	(1,343,485)	–	(203,437)
Balance at end of financial year	60,273,722	26,390,957	22,222,222	2,296,567

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Terms and Conditions of Issued Capital

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(c) Options	2008 No.	Weighted Average Exercise Price	2007 No.	Weighted Average Exercise Price
	Balance at beginning of the financial year ⁽¹⁾	15,454,500	\$0.25	15,454,500
Granted during the financial year ⁽²⁾	1,500,000	\$0.50	–	–
Exercised during the financial year ⁽³⁾	(5,151,500)	\$0.0001	–	–
Lapsed during the financial year	–	–	–	–
Balance at end of the financial year	11,803,000	–	15,454,500	–

(1) Each existing option entitles the holder to subscribe for 1 ordinary share in Goldminex Resources Limited upon the payment of \$0.25. The options will lapse on 20 April 2011. The options are transferable. The options carry neither rights to dividends nor voting rights.

(2) These options issued to a promoter on 31 August 2007 entitle the holder to subscribe for 1 ordinary share in Goldminex Resources Limited upon the payment of \$0.50. The options will lapse on 1 July 2012. The options are transferable. The options carry neither rights to dividends nor voting rights.

(3) These options exercised by shareholders at \$0.0001 entitle the holder to subscribe for 1 ordinary share in Goldminex Resources Limited for no payment. This was subsequent to a Shareholders Deed which rebalanced the share capital and options of the company.

Directors' Options

Options granted to Directors or their nominees as part of remuneration are disclosed in the Remuneration Report, options to related parties in Note 19.

15. Reserves

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Option Reserve	1,388,997	958,497	1,388,997	958,497
Foreign currency translation reserve	6,628	–	6,628	–
Performance rights reserve	831,603	–	831,603	–
	2,227,228	958,497	2,227,228	958,497

Option Reserve

The Option Reserve records items recognised as expenses on valuation of share options.

	2008 No.	Weighted Average Exercise Price	2007 No.	Weighted Average Exercise Price
Balance at beginning of the financial year	7,500,000	\$0.1287	–	–
Issue of options	1,500,000	\$0.50	7,500,000	\$0.1287
Re-balancing of options during the financial year	(2,500,000)	\$0.1287	–	–
Lapsed during the financial year	–	–	–	–
Balance at end of the financial year	6,500,000	–	7,500,000	\$0.1287

Foreign Currency Translation Reserve

The foreign currency translation reserve records exchange differences from the foreign subsidiaries currencies into Australian dollars

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Balance at beginning of the financial year	–	–	–	–
Translation of foreign currency	6,628	–	6,628	–
Balance at end of the financial year	6,628	–	6,628	–

Performance Rights Reserve

The Performance Rights Reserve records items recognised as expenses on valuation of employee share options.

	2008 No.	Weighted Average Exercise Price	2007 No.	Weighted Average Exercise Price
Issue of performance rights	2,100,000	–	–	–
Exercised during the financial year	–	–	–	–
Lapsed during the financial year	–	–	–	–
Balance at end of the financial year	2,100,000	–	–	–

16. Dividends

There have been no dividends paid or proposed in the 2007 or 2008 financial years.

17. Commitments for Expenditure

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Exploration Tenements				
In order to maintain current rights of tenure to exploration tenements, the company and economic entity is required to outlay rentals and to meet the minimum expenditure requirements of the Mineral Resources Authority (MRA). Minimum expenditure commitments may be subject to renegotiation and with approval may otherwise be avoided by sale, farm out or relinquishment. These obligations are not provided in the accounts and are payable:				
Expenditure Commitments				
Not longer than 1 year	500,000	–	–	–
Longer than 1 year and not longer than 5 years	30,000	–	–	–
Longer than 5 years	–	–	–	–
	530,000	–	–	–

18. Segment Information

Industry Segment

The Group operates within one industry segment.

The Group operates in the area of mineral exploration and development.

Geographical Segments

The consolidated entity's operations are located in Australia and Papua New Guinea. The entity commenced operations in the Papua New Guinea upon the purchases of its subsidiary on 27 June 2006.

	Australia		Papua New Guinea		Consolidated	
	2008	2007	2008	2007	2008	2007
Revenue						
Interest received	936,823	70,593	–	–	936,823	70,593
Result						
Segment Result	(4,475,967)	(1,182,892)	(106,705)	–	(4,582,672)	(1,182,892)
Assets						
Segment Assets	23,884,691	3,234,161	597,427	–	24,482,118	3,234,161
Liabilities						
Segment Liabilities	609,891	1,166,016	554,555	–	1,164,446	1,166,016
Other						
Acquisition of Segment Assets	16,725	25,199	108,297	–	125,022	25,199
Depreciation of Segment Assets	14,693	5,307	17,387	–	32,080	5,307
Other non cash segment expenses	4,360,323	966,100	15,655	–	4,375,978	966,100

19. Related Party Transactions

Key Management Personnel Compensation

Details of key management compensation are disclosed in Note 5.

Transactions with Key Management Personnel

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Shares Issued to Related Parties

116,667 shares were issued to W Yamuna as a consequence of the Shareholders' Deed which rebalanced the share capital and options of the company.

5,950,000 shares were issued to Tinpage Pty Ltd, a director related nominee as a consequence of the Shareholders' Deed which rebalanced the share capital and options of the company.

Options exercised by Related Parties

116,667 options were exercised by W Yamuna as a consequence of the Shareholders' Deed which rebalanced the share capital and options of the company.

2,450,000 options were exercised by Tinpage Pty Ltd, a director related nominee as a consequence of the Shareholders' Deed which rebalanced the share capital and options of the company.

20. Notes To The Cash Flow Statement

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
(a) Reconciliation of Cash and Cash Equivalents				
For the purposes of the cash flow statement, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:				
Cash and cash equivalents	17,503,201	685,811	17,502,192	685,811
(b) Financing Facilities				
The Company has no financing facilities in place at 30 June 2008				
(c) Reconciliation of Net Loss for the Year After Related Income Tax to Net Cash Flows From Operating Activities				
Loss after related income tax	(4,584,672)	(1,182,892)	(4,475,967)	(1,182,892)
Depreciation	32,080	5,307	14,692	5,307
Share based payments expense	4,345,630	958,497	4,345,630	958,497
Changes in net assets and liabilities:				
(Increase)/decrease in assets:				
Current receivables	(162,940)	(20,482)	(151,769)	(20,482)
Increase/(decrease) in liabilities:				
Current payables	785,791	259,665	74,352	259,665
Net cash used in operating activities	415,889	20,095	(193,062)	20,095

21. Financial Risk Management Objectives and Policies

The consolidated entity's principal financial instruments comprise cash and cash equivalents.

The main purpose of these financial instruments is to finance the consolidated entity's operations. The consolidated entity has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire period, the consolidated entity's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the consolidated entity's financial instruments are cash flow interest rate risk. Other minor risks are summarised below. The Board reviews and agrees policies for managing each of these risks.

(a) Cash flow interest rate risk

The consolidated entity's exposure to the risks of changes in market interest rates relates primarily to the consolidated entity's short-term deposits with a floating interest rate. These financial assets with variable rates expose the consolidated entity to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The consolidated entity does not engage in any hedging or derivative transactions to manage interest rate risk.

The following tables set out the carrying amount by maturity of the parent entity and consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. Also included is the effect on profit and equity after tax if interest rates at that date had been 10% higher or lower with all other variables held constant as a sensitivity analysis.

The consolidated entity has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the consolidated entity continuously analyses its exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative investments and the mix of fixed and variable interest rates.

Consolidated Entity	Note	Float Interest Rate		Non-Interest Bearing		Total Carrying Amount	
		2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Financial Assets							
Cash at bank	20(a)	17,503,201	685,811	–	–	17,503,201	685,811
Trade and other receivables	7	–	–	183,653	20,713	183,653	20,713
Loans to related entities	10	–	–	–	2,504,995	–	2,504,995
Loans to subsidiaries		–	–	–	–	–	–
Total		17,503,201	685,811	183,653	2,525,708	17,686,854	3,211,519
Weighted average interest rate		5.71	4.83				
Financial Liabilities							
Trade and other payables	12	–	–	1,106,103	1,006,817	1,106,103	1,006,817
Total		–	–	1,106,103	1,006,817	1,106,103	1,006,817
Weighted average interest rate		–	–				
Net Financial assets/(liabilities)		17,503,201	685,811	(922,450)	1,518,891	16,580,751	2,204,702

Consolidated Entity	Interest Rate Sensitivity			
	– 10% 2008 \$	– 10% 2007 \$	+10% 2008 \$	+10% 2007 \$
Change in profit	(110,095)	(3,374)	110,095	3,374
Change in equity	(110,095)	(3,374)	110,095	3,374

21. Financial Risk Management Objectives and Policies (Continued)

	Note	Float Interest Rate		Non-Interest Bearing		Total Carrying Amount	
		2008 \$	2007 \$	2008 \$	2007 \$	2008 \$	2007 \$
Parent Entity							
Financial Assets							
Cash at bank	20(a)	17,502,192	685,811	–	–	17,502,192	685,811
Trade and other receivables	7	–	–	172,483	20,713	172,483	20,713
Loans to related entities	10			–	2,504,995		
Loans to subsidiaries				6,188,092	–	6,188,092	
Total		17,502,192	685,811	6,360,575	2,525,708	23,862,767	706,524
Weighted average interest rate		5.71	4.83				
Financial Liabilities							
Trade and other payables	12	–	–	551,548	1,006,817	551,548	1,006,817
Total				–	551,548	1,006,817	551,548
Weighted average interest rate		–	–				
Net Financial assets (liabilities)		17,502,192	685,811	5,809,027	1,518,891	23,311,219	(300,293)

	Interest Rate Sensitivity			
	– 10% 2008 \$	– 10% 2007 \$	+10% 2008 \$	+10% 2007 \$
Parent Entity				
Change in profit		(110,089)	(3,374)	110,089
Change in equity		(110,089)	(3,374)	110,089

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 10% sensitivity would move short term interest rates at 30 June 2008 from 6.72% to 7.40% representing a 68 basis points shift. This would represent two to three increases which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move up than down in the coming period.

Based on the sensitivity analysis only interest revenue from variable rate deposits and cash balances is impacted resulting in a decrease or increase in overall income.

(b) Liquidity risk

The consolidated entity is exposed to liquidity risk by having to maintain sufficient cash reserves to close out market positions in a timely manner and manages this risk by maintaining sufficient cash reserves and through the continuous monitoring of budgeted and actual cash flows. The entity aims at maintaining flexibility in funding by having plans in place to source additional capital as required.

	Consolidated Entity		Parent Entity	
	2008 \$	2007 \$	2008 \$	2007 \$
Contracted maturities of payables as at balance date				
Payable				
– less than 6 months	1,106,103	1,006,817	551,548	1,006,817
– 6 to 12 months	–	–	–	–
– 1 to 5 years	–	–	–	–
– later than 5 years	–	–	–	–
Total	1,106,103	1,006,817	551,548	1,006,817

(c) Commodity Price Risk

The consolidated entity is not exposed to commodity price risk

21. Financial Risk Management Objectives and Policies (Continued)

(d) Foreign Exchange Risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The consolidated entity manages foreign currency risk by minimising the amounts of foreign currency required and buying foreign currency only at the time it is required. Trade creditors are held in the subsidiaries in United States Dollars (USD) and Papua New Guinea Kina (PGK).

Consolidated Entity	2008	2007
Amounts of foreign currency in trade creditors		
Papua New Guinea Kina (PGK)	412,908	–
United States Dollars (USD)	316,470	–

Consolidated Entity	Foreign Exchange Sensitivity			
	– 20% 2008 \$	– 20% 2007 \$	+20% 2008 \$	+20% 2007 \$
PGK				
Change in profit	(14,567)	–	14,567	–
Change in equity	(14,567)	–	14,567	–
USD				
Change in profit	(63,294)	–	63,294	–
Change in equity	(63,294)	–	63,294	–

A sensitivity of 20% has been selected as this is considered reasonable given the current level of both short term and long term exchange rate movement for these currencies and the above analysis assumes all other variables remain constant.

Parent Entity

There is no impact on the parent entity of foreign exchange risk.

(e) Net Fair Values

For financial assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form. The consolidated entity has no financial assets where carrying amount exceeds net fair values at balance date.

(f) Credit Risk

Credit risk arises from cash and cash equivalents and outstanding receivables. The cash balances are held in financial institutions with high ratings, primarily Australian Big 4 banks and the receivables comprise accrued income receivable, GST input tax credits refundable by the ATO, prepayments and rental bonds. The entity has assessed that there is minimal risk that the cash and receivables balances are impaired.

The consolidated entity's receivables at balance date are detailed in Note 7.

The maximum exposure to credit risk on financial assets of the economic entity which have been recognised on the Balance Sheet is generally the carrying amount.

(g) Capital Risk Management

When managing capital, management's objectives is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also maintain a capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholder, issue new shares, enter into joint ventures or sell shares.

The entity does not have a defined share buy-back plan.

No dividends were paid in 2007 and no dividends are expected to be paid in 2008.

There is no current intention to incur debt funding on behalf of the company as on-going exploration expenditure will be funded via equity or joint ventures with other companies.

The consolidated entity is not subject to any externally imposed capital requirements.

Management reviews management accounts and actual expenditure against budget on a monthly basis.

22. Earnings Per Share

	2008 Cents Per Share	2007 Cents Per Share
Basic earnings (loss) per share	(9.19)	(5.69)
Diluted earnings (loss) per share	(9.19)	(5.69)

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Earnings ⁽ⁱ⁾	(4,584,672)	(1,182,892)
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	2008 No.	2007 No.
Weighted average number of ordinary shares ⁽ⁱⁱ⁾	49,863,330	20,785,875

(i) Earnings are the same as profit after tax in the income statement.

(ii) In addition, the following potential ordinary shares are not dilutive and are therefore excluded from the weighted average number of shares, used in the calculation of diluted earnings per share. (Note 14(c))

	12,423,255	15,389,121
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Diluted Earnings Per Share

The rights of options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 "Earnings per Share". The rights of options are non-dilutive as they do not increase loss per share from continuing operations.

23. Subsidiaries

Name of Entity	Country of Incorporation	Ownership Interest	
		2008 %	2007 %
Parent Entity			
Goldminex Resources Limited	Australia		
Subsidiaries			
Goldminex Resources (PNG) Limited	PNG	100	–
Goldminex Limited	PNG	100	–

24. Share-Based Payments

Share-based payments have been made through Options and Performance Rights.

Share-Based Payments – Options

(a) Share-based Payment to a Promoter

1,500,000 options have been issued to a Promoter and these have been independently valued using the Black-Scholes-Merton option valuation model. The options were valued at \$0.50 being a total fair value of \$750,000. The assumptions used are a exercise price \$0.50, grant date 31 August 2007, 62% volatility rate, \$0.75 Market Value for the shares, a risk free interest rate of 6.0%, yield zero and a term of 5 years.

(b) Share-based Payment to a Related Party

3,500,000 options have been exercised at \$0.0001 and shares issued. The options exercised have been valued at fair value using the market rate of \$0.75 less a 20% discount due to the escrow period. The fair value is therefore \$0.60 being a total fair value of \$2,100,000. \$540,000 of this issue was in consideration for the transfer of shares held in Goldminex Limited to Goldminex Resources (PNG) Limited.

(c) Share-based payment to Key Management Personnel

5,151,500 options have been exercised at \$0.0001 by Key Management Personnel and shares issued. The fair value of the exercise of these options is \$0.25, being a total fair value of \$1,287,875. \$83,848 of this issue was in consideration for the transfer of shares held in Goldminex Limited to Goldminex Resources (PNG) Limited.

Share-Based Payments – Performance Rights Plan

The holders of these performance rights over ordinary shares will be entitled to be issued one (1) share for no monetary consideration provided the share price hurdle set out in the table below has been satisfied. For the share price hurdle to be satisfied the volume weighted share price must exceed the hurdle on any period of 3 consecutive days prior to the exercise date.

This Performance Rights Plan was voted on at the 31 August, 2007 General Meeting.

	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	Tranche 6	Total
Share Price Hurdle	\$0.75	\$0.90	\$0.98	\$1.05	\$1.20	\$1.50	
Premium from Listing Price of \$0.75	0%	20%	30%	40%	60%	100%	
Months after Listing	9	6	12	18	24	24	
Total Performance Rights	400,000	400,000	400,000	400,000	500,000	460,000	2,560,000
Value per right	\$0.75	\$0.5483	\$0.5656	\$0.5778	\$0.555	\$0.4503	
Value per Tranche	\$300,000	\$219,324	\$226,258	\$231,136	\$277,739	\$207,123	\$1,461,580
Risk Free Interest Rate	–	6.76%	6.46%	6.42%	6.42%	6.42%	

Tranche 1 rights have been valued at their intrinsic value.

Tranche 2 – 6 rights have been valued using an Up-and-In Call Barrier Option pricing model. The assumptions used are a 59% volatility rate, \$0.75 Market Value for the shares, a risk free interest rate and a term from listing as per the above table.

The share price hurdles for Tranches 1 – 5 were met by 30 June 2008 and the corresponding share-based payment expense of \$831,603 applicable to the current financial year (2007 – nil) has been recognised during the financial year.

25. Events After The Balance Sheet Date

In July 2008, the company executed an agreement with Geotech Airborne Limited for a helicopter-borne electro magnetic (EM) survey for approximately 4,000 line-kms.

On 11 August 2008, the company issued 6.75 million shares in a private placement with sophisticated and professional clients. The private placement raised \$13.5 million at \$2.00 per share.

ADDITIONAL SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 17 September 2008

1. Distribution of Shareholders

(a) Analysis of number of shareholders by size of holding.

Category of holding	Holders	Number of Shares	% of Issued Capital
1 – 1,000	27	19,285	0.03
1,001 – 5,000	134	431,022	0.64
5,001 – 10,000	121	1,016,997	1.52
10,001 – 100,000	198	6,346,928	9.47
100,001 and over	40	59,209,490	88.34
	520	67,023,722	100.00

(b) There are 2 shareholders with less than a marketable parcel of ordinary shares.

2. Largest Shareholders

The names of the twenty largest holders by account holding of ordinary shares are listed below:

Shareholder	Holding	%
Talbot Group Investments Pty Ltd	11,830,667	17.65
Tinpage Pty Ltd	8,975,554	13.39
Mango Bay Enterprises Inc	7,318,167	10.92
National Nominees Limited	6,105,544	9.11
ANZ Nominees Limited	3,423,496	5.11
HSBC Custody Nominees	3,040,252	4.54
J P Morgan Nominees Australia	2,500,000	3.73
VBS Investments Pty Ltd	1,920,000	2.86
CMG Capital Pty Ltd	1,777,977	2.65
Citicorp Nominees Pty Limited	1,724,297	2.57
Endeavour River Pty Ltd	1,477,778	2.20
Mr Dennis Wood & Mrs Anne Wood	883,900	1.32
Mr Wandi Oscar Yamuna	833,335	1.24
Mr Peter Tambanis	796,889	1.19
Invia Custodian Pty Limited	725,000	1.08
Equity Trustees Limited	620,000	0.93
VBS Investments Pty Ltd	616,973	0.92
Boom Securities (HK) Ltd	500,000	0.75
Oaktel Investments Pty Ltd	500,000	0.75
Coal Industry Services Pty Limited	392,325	0.59

3. Option Holders

The names of the option holders by account holding of listed options are listed below:

Option Holder	Holding	%
Tinpage Pty Ltd	4,900,000	41.5
Mango Bay Enterprises Inc	4,636,333	39.3
CMG Capital	1,500,000	12.7
Endeavour River Pty Ltd	533,334	4.5
W . Yamuna	233,333	2.0

4. Restricted Securities

The company had the following securities subject to escrow arrangement:

Security	No	Escrow Expiry
Ordinary shares	21,179,500	23 October 2009
Options ⁽¹⁾	5,666,667	23 October 2009
Options ⁽²⁾	4,636,333	23 October 2009
Options ⁽³⁾	1,500,000	23 October 2009
Performance Rights	2,460,000	23 October 2009

(1) Options exercisable at \$0.25 each up to 20 April 2011

(2) Options exercisable at \$0.25 each up to 5 June 2011

(3) Options exercisable at \$0.50 each up to 1 July 2012

5. Substantial Shareholders

The substantial shareholders are as follows:

Name of Shareholder	No of Shares	% of Issued Capital
Talbot Group Investments Pty Ltd and Associates	13,097,642	19.54
Tinpage Pty Ltd	8,975,554	13.39
Mango Bay Enterprises Inc	7,318,167	10.92

6. Voting Rights

At a general meeting of shareholders:

- (a) On a show of hands, each person who is a member or sole proxy has one vote.
- (b) On a poll, each shareholder is entitled to one vote for each fully paid share.

7. General

Company Secretary Mr Harry Hill

Registered Office:

Professional Chambers
Level 1, 120 Collins Street
MELBOURNE VIC 3000

Tel: (03) 9663 3534

Principal Administration Office:

Professional Chambers
Level 1, 120 Collins Street
MELBOURNE VIC 3000

Tel: (03) 9663 3534

Share Registry:

Computershare Investor Services Pty Ltd
Yarra Falls , 452 Johnston Street
ABBOTSFORD VIC 3067

Tel: 1300 787 272

CORPORATE GOVERNANCE STATEMENT

The Directors of Goldminex Resources Limited believe firmly that benefits will flow from the maintenance of the highest possible standards of corporate governance. A description of the company's main corporate governance practises is set out below. The Company has elected to early adopt the 2nd Edition of the "Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council" issued by the ASX Corporate Governance Council in August 2007.

Principal No	Best Practice Recommendation	Compliance	Reason for Non-compliance
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	The board has adopted a formal charter setting out the responsibilities of the Board. This charter can be accessed at www.goldminex.com.au . Any functions not reserved for the Board and not expressly reserved for members by the Corporations Act and ASX Listing Rules are reserved for senior executives.	The company complies
1.2	Disclose the process for evaluating the performance of senior executives.	The Board meets annually to review the performance of executives. The senior executives' performance is assessed against the performance of the company as a whole.	The company complies
1.3	Provide the information indicated in the Guide to reporting on Principal 1.	A performance evaluation has been completed during the reporting period in accordance with the process detailed in 1.2 above.	The company complies
2.1	A majority of the Board should be independent Directors.	A definition of director independence can be accessed at www.goldminex.com.au . Currently Goldminex Resources Limited has three independent Directors and 2 non independent Directors.	The company complies
2.2	The chair should be an independent director.	The Chairman, Mr Adrian Fleming, is independent.	The company complies
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	Goldminex Resources Limited has a Chief Executive Officer who is not the chairman.	The company complies
2.4	The board should establish a nomination committee.	The board does have a nomination committee.	The company complies
2.5	Disclose the process for evaluating the performance of the board, its committee and individual Directors.	The performance evaluation of board members occurs by way of an informal review by the full board (in the absence of the relevant Board member)	The company complies
2.6	Provide the information indicated in the Guide to reporting on Principle 2.	The skills, experience and expertise relevant to the position held by each director is disclosed in the Directors' Report which forms part of the Annual Report. The name of the Independent Directors are disclosed in the Annual Report. The Directors are entitled to take independent professional advice at the expense of the company. The period of office held by each director is disclosed in the Directors' Report which forms part of this Annual Report.	The company complies

Principal No	Best Practice Recommendation	Compliance	Reason for Non-compliance
3.1	<p>Establish a code of conduct and disclose the code for a summary of the code as to:</p> <ul style="list-style-type: none"> the practice necessary to maintain confidence in the Company's integrity; the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; The responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	<p>The Company has adopted a Board Code of Conduct and a Company Code of Conduct, both of which can be accessed at www.goldminex.com.au.</p>	The company complies
3.2	<p>Establish a policy concerning trading in Company securities by Directors, senior executives and employees, and disclose the policy or a summary of that policy.</p>	<p>The Company has adopted a Share Trading Policy which can be accessed at www.goldminex.com.au.</p>	The company complies
3.3	<p>Provide the information indicated in the Guide to reporting on Principle 3.</p>	<p>The information has been disclosed in the Annual Report.</p>	The company complies
4.1	<p>The board should establish an audit committee.</p>	<p>The company has an established an Audit Committee.</p>	The company complies.
4.2	<p>The audit committee should be structured so that it: consists only of non-executive Directors;</p> <ul style="list-style-type: none"> consists of a majority of independent Directors; is chaired by an independent chair, who is not chair of the board; has at least three members 	<p>The Audit Committee has three members, consisting of the independent Directors, Mr Adrian Fleming, Mr David Sode and Mr Colin Patterson.</p> <p>The Audit Committee is chaired by Mr David Sode</p>	The company complies.
4.3	<p>The audit committee should have a formal charter.</p>	<p>The formal charter can be accessed at www.goldminex.com.au.</p>	The company complies
4.4	<p>Provide the information in the Guide to reporting on Principle 4.</p>	<p>The names of the members of the Audit Committee are disclosed above. The qualifications of the members of the Audit Committee are disclosed in the Directors' Report which forms part of this Annual Report. The audit committee will meet at least twice in each year, before sign off of the annual and half year financial statements. The external auditor, Grant Thornton, has a rotation policy such that lead partners are rotated every 5 years and review partners are rotated every 5 years.</p>	The company complies.
5.1	<p>Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.</p>	<p>The Company has adopted a Disclosure Policy which can be accessed at www.goldminex.com.au.</p>	The company complies
5.2	<p>Provide the information indicated in the Guide to reporting on Principle 5.</p>	<p>The information has been disclosed in the Annual Report.</p>	The company complies
6.1	<p>Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy</p>	<p>The Company has adopted a Shareholder Communications Policy which can be accessed at www.goldminex.com.au.</p>	The company complies

Principal No	Best Practice Recommendation	Compliance	Reason for Non-compliance
6.2	Provide the information indicated in the Guide to reporting on Principle 6.	The information has been disclosed in the Annual Report	The company complies
7.1	Establish policies for the oversight and management of material business risk and disclose a summary of those policies.	The Company has adopted Risk Management Policy which can be accessed at www.goldminex.com.au . This policy outlines the material risks faced by the Company as identified by the Board.	The company complies
7.2	The board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	The Board believes the risk management and internal control systems designed and implemented by the Directors and the Financial Officer are adequate given the size and nature of the company's activities. The board informally reviews and requests management to report on risk management and internal control.	Management has not formally reported to the board as to the effectiveness of the company's management of its material business risks. Given the nature and size of the Company and the Board's ultimate responsibility to manage the risks of the Company this is not considered critical. The company intends to develop the risk reporting framework into a detailed policy as its operations continue to grow.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The Board receives assurance from Mr Basil Tambanis (Managing Director) and the chief financial officer in the form of a declaration, prior to approving financial statement.	The company complies.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	The information has been disclosed in the Annual Report.	The company complies
8.1	The board should establish a remuneration committee.	The company does have an established remuneration committee.	The company complies
8.2	Companies should clearly distinguish the structure of non-executive Directors' remuneration from that of executive Directors and senior executives.	The structure of non-executive Directors' remuneration is clearly distinguished from that of executive Directors and senior executives, as described in the Directors' Report which forms part of this Annual Report.	The company complies
8.3	Companies should provide the information indicated in the guide to reporting on Principle 8.	The information has been disclosed in the Annual Report.	The company complies




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