



**GOLDMINEX RESOURCES LIMITED**  
**ABN 62 119 383 578**

**Annual Financial Report**  
**for the Financial Year ended 30 June 2010**

## CORPORATE DIRECTORY

### Board of Directors

John Downie (Chairman)  
Adrian Fleming  
Andrew Matheson  
Colin Patterson  
David Sode

### Company Secretary

Paul Thaw

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### Auditor

Grant Thornton Audit Pty Ltd  
Chartered Accountants  
Level 2, 215 Spring Street  
Melbourne VICTORIA 3000

### Share Registry

Computershare Investor Services Pty Ltd  
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### Stock Exchange Listing

ASX Code: GMX

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## DIRECTORS' REPORT

The Directors of Goldminex Resources Limited ("the Company") submit herewith the Annual Financial Report of the Company and its controlled entities ("the Group") for the financial year ended 30 June 2010.

### Directors

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

Name	<b>Mr John Downie</b>
Position	Independent Non-Executive Chairman
Qualifications	B. Mech. Eng. MAICD
Appointed	2 February 2010
Age	60
Experience	John is an experienced manager with more than 30 years international experience in the mining industry. John is currently Chief Executive Officer of AusNiCo and recently was Managing Director for Gladstone Pacific Nickel Limited. He has also held senior management positions with various companies including Inco/Vale, Alcoa, NMR Rothschild, Boral and CRA.
Directorships in listed entities or their manager where a listed trust	Nil
Relevant interests in shares, options and performance rights	Nil

Name	<b>Mr Adrian Fleming</b>
Position	Independent Non-Executive Director
Qualifications	B.Sc (Hons), M.AusIMM, RPGeo
Appointed	31 August 2007
Age	62
Experience	Adrian is a geologist with more than 30 years experience in minerals exploration, mine development and mining operations including gold, base metals and diamonds. Adrian has held positions as General Manager of Exploration for Placer Pacific, CEO for Giant Yellowknife Mines in Toronto, Vice President of Exploration for Golden Star Resources in Denver and was founder of Underworld Resources listed on the TSX in 2007.
Special responsibilities	Chairman of Audit and Risk Management Committee Chairman of Remuneration and Nomination Committee
Directorships in listed entities or their manager where a listed trust	Tarsis Resources, TSX.V; Queensland Minerals, TSX.V
Relevant interests in shares, options and performance rights	227,000 fully paid ordinary shares

Name	<b>Mr Andrew Matheson</b>
Position	Non-Executive Director
Qualifications	B.Eng (Geological), M.AusIMM
Appointed	19 June 2009
Age	48
Experience	Andrew is a geological engineer with post-graduate qualifications in management and more than 20 years experience within the resources and engineering fields. During his career, Andrew has worked in senior management, technical and operational roles including exploration, project evaluation, development and construction, infrastructure, underground and open cut mining operations. His experience includes iron ore, coal, manganese, copper, gold and nickel within projects in Australia, Africa, Indonesia and New Caledonia. His previous management and engineering roles have included positions with Aquila Resources, BHPB and GHD.
Special responsibilities	Member of Remuneration and Nomination Committee
Directorships in listed entities or their manager where a listed trust	Nil
Relevant interests in shares, options and performance rights	Nil

## DIRECTORS' REPORT (continued)

Name	<b>Mr Colin Patterson</b>
Position	Independent Non-Executive Director
Qualifications	B.Sc (Eng) Mining, B.Com (Hons), FAICD; F.AusIMM
Appointed	31 August 2007
Age	56
Experience	Colin has in excess of 35 years experience in the mining industry in Australia, Asia, North America, South America and South Africa. Colin is CEO of a private mining and exploration company, ASVI based in Malaysia, and was formerly CEO of Olympus Pacific Minerals Inc., a TSX listed company, Pan Palladium and Emperor Mines. He is also a non-executive director of Odin Mining (Canada) and the Phoenix Gold fund (Malaysia).
Special responsibilities	Member of Audit and Risk Management Committee
Directorships in listed entities or their manager where a listed trust	Odin Mining and Exploration Ltd (TSX)
Relevant interests in shares, options and performance rights	80,000 performance rights

Name	<b>Mr David Sode</b>
Position	Independent Non-Executive Director
Qualifications	LLB
Appointed	31 August 2007
Age	50
Experience	David is the CEO of PNG Sustainable Development Program 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.
Special responsibilities	Member of Audit and Risk Management Committee Member of Remuneration and Nomination Committee
Directorships in listed entities or their manager where a listed trust	Nil
Relevant interests in shares, options and performance rights	20,000 fully paid ordinary shares 80,000 performance rights

### Company Secretary

Name	<b>Mr Paul Thaw</b>
Qualifications	B.Econ & Comm (Hons), MBA, CPA
Appointed	2 June 2009
Age	42
Experience	Paul has more than 20 years experience in corporate administration, management and compliance at major listed companies, including Golden Shamrock Mines, NEC, Village Roadshow and Adecco. As a senior finance executive, Paul has substantial experience in a broad range of industries including mining and exploration in Australia and abroad.

**Principal activities**

The principal activities of the Group have been the continuing exploration within its tenement portfolio in Papua New Guinea. No significant changes in the nature of these activities occurred during the year.

**Operating results**

The Group's net loss for the year after applicable income tax was \$5,388,553 (2009: loss \$815,397).

**Review of operations**

During the year ended 30 June 2010, the Group continued with its exploration strategy to focus on larger-scale magmatic or porphyry related targets in the Owen Stanley Ranges and Sepik Province within Papua New Guinea.

These activities have focused on regional exploration with the collection of samples, mapping and review of historical records at 11 prospects and regional targets together with an intensive drilling campaign at five prospects.

Highlights from these activities include:

- Completion of four separate diamond drilling programs, using three drill rigs simultaneously, within the Owen Stanley Ranges and Sepik Province.

	<b>Meters Drilled</b>
<i>Owen Stanley Ranges:</i>	
Gossan Hill	1,783
Iyewe	743
Kemani	1,358
Liamu	172
<i>Sepik Province:</i>	
Awari	1,253
Total	<u><b>5,309</b></u>

- Completion of extensive detailed testing and mapping within the Liamu Project has identified a double-ringed circular intrusive zone of gold anomalism within an altered 35km<sup>2</sup> circular intrusive structure, which exhibits the largest and most intense gold signature within the targets tested by the Company to date, and drill targets.
- Mobilisation and commencement of a drilling program within Liamu project. As at 30 June 2010, drill hole BFAD001 had diamond drilled to 98 meters of the total depth of 166 meters. This was the first hole of seven completed during the Q3 2010 drilling program.
- Advancement of field activities within the Owen Stanley Ranges including prospect evaluation and a regional exploration program.
- Strengthening of geological and support teams.
- The Company undertook a strategic review of operations and tenements which culminated in a clear focus on targeting large scale (greater than 2Moz gold equivalent) Gold, Copper and Nickel porphyry/magmatic resources in Papua New Guinea and the write off of capitalised expenditure on less prospective areas.
- The Group undertook a significant restructure of personnel and operations in order to help reduce overhead expenditure and re-focus expenditure on exploration activities within PNG.

**Review of financial condition**

The net assets of the Group have decreased by \$5,909,854 to \$30,290,787 as at 30 June 2010 (2009: \$36,200,641). The major movements were due to restructures within the organisation and the write off of capitalised exploration expenditure.

The Group's working capital, being current assets less current liabilities, was \$9,919,259 (2009: \$22,403,453).

As a result of the above, the Directors believe the Company is in a strong and stable position to continue current exploration activities in PNG.

**Future developments**

Disclosure of further information regarding likely developments in the operations of the Group in future financial years, and the expected results of those operations, is likely to result in unreasonable prejudice to the Group. 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 26, that has arisen since the end of the financial year, that has significantly affected or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group 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 Group 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 has been no known breaches of the tenement environmental regulation conditions, and the Group has not been notified of any breaches by any government agencies during the year ended 30 June 2010.

**Proceedings on behalf of the Company**

As at the date of this report and during the period ended 30 June 2010, there was no leave applications or proceedings brought on behalf of the Company under section 237 of the *Corporations Act 2001*.

**Directors meetings**

The following table sets out the number of Director and Committee meetings held during the financial year and the number of meetings attended by each Director. During the financial year, 10 Board meetings, seven Audit and Risk Management Committee meetings and three Remuneration and Nomination Committee meeting were held.

DIRECTORS	BOARD OF DIRECTORS		AUDIT & RISK MANGEMENT COMMITTEE		REMUNERATION & NOMINATION COMMITTEE	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Mr J Downie <sup>(1)</sup>	4	4	-	-	-	-
Mr A Fleming	10	10	7	6	3	3
Mr A Matheson	10	9	-	-	1	1
Mr D Sode	10	10	7	7	3	3
Mr C Patterson	10	9	7	7	-	-
Mr B Tambanis <sup>(2)</sup>	4	4	-	-	2	2
Mr S Tambanis <sup>(3)</sup>	8	8	-	-	-	-

(1) Appointed as a Director on 2 February 2010

(2) Resigned as a Director on 25 September 2009

(3) Resigned as a Director on 15 March 2010

**Indemnification of Directors and officers**

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary, and all officers of the Company and its controlled entities against a liability incurred as such as Director, secretary or 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 will indemnify each Director to the extent permitted by the *Corporations Act 2001* against liabilities arising as a result of the person acting as a Director of the Company. The Company will be required to maintain insurance policies for the benefit of the relevant Director for the term of the appointment and for a period of seven years after retirement or resignation.

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 a Director or officer of the Company or its controlled entities against a liability incurred.

**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*.

The following fees for non-audit services were paid to the external auditors of the Company during the year ended 30 June 2010.

Professional advice	\$10,310
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**Auditors' independence declaration**

A copy of the auditor's independence declaration under section 307C of the *Corporation Act 2001* in relation to the audit of the full year is included on page 13.

**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 2010.

**Director and senior management details**

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

Mr J Downie (Chairman)	(appointed 2 February 2010)
Mr A Fleming	
Mr A Matheson	
Mr C Patterson	
Mr D Sode	
Mr B Tambanis	(resigned 25 September 2009)
Mr S Tambanis	(resigned 15 March 2010)

The term 'senior management' is used in this remuneration report to refer to the following persons:

Mr Alexander (Sandy) Moyle	(appointed 2 February 2010)
Mr Paul Thaw	

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.

**Remuneration policy**

It is the Company's goal to promote excellence at Board level, in staff members and with associated organisations. To this end, it seeks to engage the services of individuals and organisations with the requisite experience and competencies to assist the company to achieve its strategic objectives.

The Board policy for determining the nature and amount of remuneration of Directors and senior management is agreed by the Board of Directors as a whole after review and recommendation by the Remuneration and Nomination 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.

Following changes to the Income Tax Assessment Act (1997) effective from 1 July 2010, the Company's corporate advisors have recommended implementation of a revised Performance Rights Plans and Employee Incentive Schemes in order to assist in the attraction, retention and motivation of employees and contract staff. Existing employees and Directors Performance Rights Plan and Employee Incentive Options Schemes have previously been approved by shareholders.

**Non-Executive Director remuneration**

Non-Executive Directors 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 Directors 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 Directors when undertaking the annual review process.

**REMUNERATION REPORT (AUDITED) (CONT'D)**
**Senior management remuneration**

In determining the level and make-up of senior management 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 senior management roles. Remuneration consists of a mix of fixed and variable remuneration and performance incentive rewards as appropriate. To this end, the Company's remuneration framework seeks to align with shareholders interests and in particular the discovery of an economic resource.

Further details regarding components of Director and senior management remuneration are provided below.

**Remuneration of Directors and senior management**

The remuneration for each Director and senior management of the Group is set out below.

**Remuneration for year ended 30 June 2010**

	Short – Term Employment Benefits		Post - Employment		Equity Received as Compensation <sup>(1)</sup>		Total	Options/Perf. Rights as % of Remuneration
	Salary, Fees and Commissions	Consultancy	Super- annuation Contribution	Retirement Benefits <sup>(6)</sup>	Options	Performance Rights		
	\$	\$	\$	\$	\$	\$	\$	
Mr J Downie <sup>(2)</sup>	162,054	13,350	15,786	-	-	-	<b>191,190</b>	-
Mr D Sode	45,062	-	-	-	-	3,066	<b>48,128</b>	6.37%
Mr B Tambanis <sup>(3)</sup>	93,287	-	25,000	784,625	-	26,823	<b>929,735</b>	2.89%
Mr A Fleming	38,150	-	-	-	-	7,664	<b>45,814</b>	16.73%
Mr A Matheson	35,000	-	3,150	-	-	-	<b>38,150</b>	-
Mr C Patterson	35,000	-	3,150	-	-	3,066	<b>41,216</b>	7.44%
Mr S Tambanis <sup>(4)</sup>	238,799	-	55,880	340,000	-	26,823	<b>661,502</b>	4.05%
Mr A Moyle <sup>(5)</sup>	132,103	-	11,889	-	24,449	-	<b>168,441</b>	14.51%
Mr P Thaw	201,619	-	18,146	-	20,310	-	<b>240,075</b>	8.46%
	<b>981,074</b>	<b>13,350</b>	<b>133,001</b>	<b>1,124,625</b>	<b>44,759</b>	<b>67,442</b>	<b>2,364,251</b>	<b>4.75%</b>

(1) For reporting purposes, the share-based payment for performance rights and options is calculated in accordance with AASB 2: Share-Based Payments.

(2) Prior to his appointment as a Director on 2 February 2010, Mr Downie was engaged as interim Chief Executive Officer on 28 September 2009. In accordance with the *Corporations Act 2001* section 300A(1)(c), remuneration of \$155,806 (including 9% Superannuation) which was received during this period whilst performing this role has been included within the figures above.

(3) Resigned 25 September 2009.

(4) Resigned 15 March 2010.

(5) Appointed Chief Executive Officer on 2 February 2010. Mr Moyle was previously engaged on 28 April 2009 under a contract as Chief Project Geologist.

(6) Retirement benefits were paid to Executive Directors and represent negotiated settlements in lieu of contractual entitlements (exclusive of superannuation contributions).

**REMUNERATION REPORT (AUDITED) (CONT'D)**
**Remuneration for year ended 30 June 2009**

	Short – Term Employment Benefits		Post - Employment		Equity Received as Compensation <sup>(1)</sup>		Total	Options/Perf. Rights as % of Remuneration
	Salary, Fees and Commissions	Consultancy	Super- annuation Contribution	Retirement Benefits	Options	Performance Rights		
	\$	\$	\$	\$	\$	\$	\$	
Mr J Downie	-	-	-	-	-	-	-	-
Mr D Sode	38,150	-	-	-	-	16,621	54,771	30.35%
Mr B Tambanis <sup>(2)</sup>	385,000	-	38,500	-	-	145,436	568,936	25.56%
Mr A Fleming	65,788	-	-	-	-	41,553	107,341	38.71%
Mr A Matheson <sup>(3)</sup>	2,917	-	263	-	-	-	3,180	-
Mr C Patterson	35,000	37,500	3,150	-	-	16,621	92,271	18.01%
Mr S Tambanis	320,000	-	32,000	-	-	145,436	497,436	29.24%
Mr P Thaw <sup>(4)</sup>	14,076	-	1,267	-	3,532	-	18,875	18.71%
Mr H Hill <sup>(5)</sup>	51,467	-	4,632	-	-	20,778	76,877	27.03%
	<b>912,398</b>	<b>37,500</b>	<b>79,812</b>	-	<b>3,532</b>	<b>386,445</b>	<b>1,419,687</b>	<b>27.47%</b>

(1) For reporting purposes, the share-based payment for performance rights and options is calculated in accordance with AASB 2: Share-Based Payments.

(2) Resigned 25 September 2009.

(3) Appointed 19 June 2009.

(4) Appointed 4 May 2009.

(5) Resigned 2 June 2009

**Shares issued as part of remuneration for the year ended 30 June 2010**

There were no shares issued as part of remuneration for the year ended 30 June 2010 (2009 Nil).

**Options issued as part of remuneration for the year ended 30 June 2010**

There were no options issued under the Employee Incentive Option Scheme (EIOS) as part of remuneration for the year ended 30 June 2010 (2009: 400,000 options issued under EIOS).

**Options on issue at year end or exercised during the year ended 30 June 2010**

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	5,133,334	\$0.25	20 April 2011
Options	4,636,333	\$0.25	5 June 2011
Options	1,500,000	\$0.50	1 July 2012
EIOS Options	100,000	\$0.77203	4 May 2012
EIOS Options	100,000	\$0.72404	11 May 2012
EIOS Options	100,000	\$0.73844	4 June 2012

The holders of 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, 533,333 \$0.25 cent options were exercised (2009: Nil) and 100,000 EIOS options were forfeited (2009: Nil). At 30 June 2010, 11,569,667 (2009:12,203,000) options were on issue. Refer to note 25 within the financial statements for further details on options.

**REMUNERATION REPORT (AUDITED) (CONT'D)**
**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 hurdles and vesting date 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 three (3) consecutive days prior to the vesting date.

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

	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	
	<b>No. of Rights</b>	<b>No. of Rights</b>	<b>No. of Rights</b>	<b>No. of Rights</b>	<b>No. of Rights</b>	<b>No. of Rights</b>	<b>No. of Rights</b>
Mr B Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Mr S Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Mr P Tambanis	109,375	109,375	109,375	109,375	136,719	125,781	700,000
Mr A Fleming	31,250	31,250	31,250	31,250	39,063	35,937	200,000
Mr D Sode	12,500	12,500	12,500	12,500	15,625	14,375	80,000
Mr C Patterson	12,500	12,500	12,500	12,500	15,625	14,375	80,000
Mr H Hill	15,625	15,625	15,625	15,625	19,530	17,970	100,000
<b>Total</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>400,000</b>	<b>500,000</b>	<b>460,000</b>	<b>2,560,000</b>

**Performance Rights entitlements as part of remuneration for the year ended 30 June 2010**

	Number of Performance Rights	Value of Performance Rights \$	Number Exercised	Value of Performance Rights as a % of Remuneration
Mr B Tambanis	700,000	26,823	700,000	2.9%
Mr S Tambanis	700,000	26,823	700,000	4.1%
Mr P Tambanis	700,000	26,823	700,000	11.5%
Mr A Fleming	200,000	7,664	200,000	16.7%
Mr D Sode	80,000	3,066	-	6.4%
Mr C Patterson	80,000	3,066	-	7.4%
Mr H Hill	100,000	3,832	100,000	100.0%
<b>Total</b>	<b>2,560,000</b>	<b>98,097</b>	<b>2,400,000</b>	<b>4.5%</b>

**Performance Rights entitlements as part of remuneration for the year ended 30 June 2009**

	Number of Performance Rights	Value of Performance Rights \$	Number Exercised	Value of Performance Rights as a % of Remuneration
Basil Tambanis	700,000	145,436	-	25.6%
Steven Tambanis	700,000	145,436	-	29.2%
Peter Tambanis	700,000	145,436	-	48.6%
Adrian Fleming	200,000	41,553	-	38.7%
David Sode	80,000	16,621	-	30.4%
Colin Patterson	80,000	16,621	-	18.0%
Harry Hill	100,000	20,778	-	27.0%
<b>Total</b>	<b>2,560,000</b>	<b>531,881</b>	<b>-</b>	<b>31.3%</b>

**REMUNERATION REPORT (AUDITED) (CONT'D)**

**Key terms of employment contracts**

The Chief Executive Officer, Mr A Moyle, is employed under a contract. The employment contract commenced on 2 February 2010 and is ongoing. Under the terms of the contract:

- Mr A Moyle may resign from his position and terminate his employment contract by providing the company with six months written notice.
- The Company may terminate the agreement by providing six months written notice. The Company must pay an amount equal to the lesser of the full amount of remuneration for the balance of the term, or six months remuneration 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 A Moyle is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.
- Mr A Moyle will be entitled to participate in Employee Incentive Plans.
- Mr A Moyle will be entitled to a performance bonus at the discretion of the Board of Directors subject to meeting specified key performance indicators.

The CFO/Company Secretary, Mr P Thaw, is employed under a contract. The employment contract commenced on 4 May 2009 and is ongoing. Under the terms of the contract:

- Mr P Thaw may resign from his position and terminate his contract giving 30 days written notice.
- The Company may terminate the agreement by providing 30 days written notice. The Company must pay an amount equal to the lesser of the full amount of remuneration for the balance of the term, or 30 days remuneration 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 Thaw is only entitled to that portion of remuneration which is fixed, and only up to the date of termination.
- Mr P Thaw will be entitled to participate in Employee Incentive Plans.

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

On behalf of the Directors



**John Downie**  
**Chairman**

MELBOURNE, 23 September 2010

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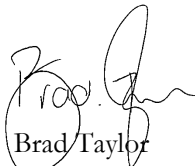
**Auditor's Independence Declaration**  
**To the Directors of Goldminex Resources Limited**

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 2010, 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.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Brad Taylor  
Director - Audit & Assurance Services

Melbourne, 23 September 2010

The Board of Directors of Goldminex Resources Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of the shareholders by whom they are elected and to whom they are accountable. The Company is committed to implementing the highest standards of corporate governance.

In setting its standards the Company has considered the 2<sup>nd</sup> edition of the ASX Corporate Governance Recommendations. Whilst the Company continues to develop and improve its corporate governance processes and standards, it is pleased to advise that the Company's practices are largely consistent with the ASX guidelines.

The Board undertakes regular reviews of the Company's corporate governance policies in order to adopt a strengthened model that recognises and reflects the ongoing development of the Company in order to ensure that the model is relevant, efficient and cost effective to the Company and its shareholders.

The corporate governance statement that follows discloses the extent to which the Company has followed the guidelines during the 2010 year. A complete set of the Company's corporate governance policies can be found on the Company's website at [www.goldminex.com.au](http://www.goldminex.com.au).

### **Principle 1: Lay Solid Foundations for Management and Oversight**

The functions reserved to the Board and those delegated to senior management are disclosed in the Company's Board Charter and the Company's Delegated Authorities Policy. These documents are available on the Company's website at [www.goldminex.com.au](http://www.goldminex.com.au).

The Board's role is to govern the Company rather than to manage its operations. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

The responsibilities of the Board include:

- Setting the strategic goals, objectives and plans in conjunction with management;
- Approving financial plans and annual budgets;
- Monitoring financial results and other performance indicators;
- Approving significant acquisitions and divestments;
- Identifying and monitoring business risks as well as reviewing and ratifying systems of risk management, internal compliance and control;
- Determining the governance policies of Goldminex and ensuring compliance with those policies including:
  - Encouraging ethical behaviour and good corporate citizenship;
  - Ensuring a healthy and safe work environment;
  - Ensuring that Goldminex complies with all relevant legislation;
  - Ensuring adherence to environmental standards;
- Establishing and reviewing the charters of all committees of the Board;
- Selecting, appointing and approving the terms and conditions for the Chief Executive Officer as well as reviewing their performance;
- Ratifying the appointment of senior management and appointing the Company Secretary;
- Monitoring the appointment, performance, and terms and conditions of senior management;
- Determining that satisfactory arrangements are in place for auditing the Company's financial affairs;

The Board has delegated the responsibility for management of the Company to the Chief Executive Officer and senior management who implement the Board's strategies and compliance activities. The process for evaluating the performance of the Chief Executive Officer and senior management in their undertaking of these duties is described in the Company's Remuneration and Nomination Committee Charter which is available on the Company's website at [www.goldminex.com.au](http://www.goldminex.com.au). In accordance with the Company's policy, the Remuneration and Nominations Committee met to review the performance and remuneration of senior management. External reports on executive remuneration have been used to provide independent advice on market levels of remuneration for comparable senior management roles.

**Principle 2: Structure the Board to Add Value**

Details regarding the structure of the Board and the names, qualifications and independence of each Director are provided in the Directors' Report on pages 3 to 12 of the Annual Report. The Board Charter details the Board's composition and responsibilities. The Company's policy on Director independence and access to independent advice at the expense of the Company is provided in the Company's Director Independence Policy.

Independent Directors

Directors of Goldminex are considered to be independent when they are independent of management and free from any business or other relationship that could materially interfere with – or could reasonably be perceived to materially interfere with – the exercise of their unfettered and independent judgement. In the context of Director independence, 'materiality' is considered both from the Company and individual Director perspective.

In reviewing Director's independence during the current year, the board evaluated the independence of Mr John Downie, as he had performed the role of interim Chief Executive Officer from 28 September 2009 to 1 February 2010. In accordance with ASX Corporate Governance Guidelines, a Director's independence will be qualified if they have been employed in an executive capacity by the Company within the last three years. The Board considers that given this was only an interim role and based upon John's continued and demonstrated performance and ability to make objective judgments on matters before the board, it has deemed John performs his duties as an independent Director.

The board also reviewed the independence of Mr Colin Patterson during the current year, as Colin is Chief Executive Officer of ASVI which is a related entity to a shareholder of Goldminex, Mango Bay Enterprises Inc. In accordance with ASX Corporate Governance Guidelines, a Director's independence will be qualified if they are a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company. As Mango Bay Enterprises Inc does not hold a majority interest in ASVI and given Colin's continued and demonstrated performance and ability to make objective judgments on matters before the board, the Board considers that Colin continues to perform his duties as an independent Director.

The Board's assessment of the independence of each of the Directors is included within the Directors details on pages 3 and 4.

All Directors are entitled to seek independent professional advice in carrying out their duties. Further, in accordance with the *Corporations Act 2001* and the Company's policies, each member of the Board is required to keep the Board advised of any potential conflict of interest with the Company and must absent themselves from any Board discussion and not vote if a conflict does exist.

Board Composition

The roles of Chief Executive Officer and Chairman of the Board are undertaken by separate people. The Board has a majority of independent Directors with four of the five Directors including the Chairman being independent. The Board has established a number of committees to assist in the execution of its duties and to allow detailed consideration of complex issues. Current committees of the Board are the Remuneration and Nomination Committee and the Audit and Risk Management Committee. Each committee has its own written charter setting out its role and responsibilities, structure and the manner in which the committee is to operate. All matters determined by committees are submitted to the full Board as recommendations for Board decisions.

The Remuneration and Nomination Committee consists of a majority of independent Directors, is chaired by an independent Director and has at least three members. Over the year, the Committee consisted of the following Directors: A. Fleming (Chair as of 28 August 2009), D. Sode (Chair until 28 August 2009), A. Matheson (appointed 23 October 2009) and B. Tambanis (resigned 25 September 2009). Details of these Directors' attendance at committee meetings are set out in the Directors' Report on page 6.

The Remuneration and Nominations Committee Charter describes the role of the Nomination Committee and process for evaluating the performance of the Board, its committees and individual Directors. These corporate governance documents are available for review on the Company's website at [www.goldminex.com.au](http://www.goldminex.com.au).

In accordance with the Charter, the Remuneration and Nomination Committee is responsible for ensuring that the Company:

- Has coherent recruitment, retention, succession and remuneration policies and practices which enable it to attract and retain Directors and senior management who have the skills to achieve the Company's goals and add value for shareholders;
- Rewards Directors and senior management in a fair and responsible manner, while having due regard for the performance of the Company, the individual Director or senior management's performance and the reward environment;
- Complies with all relevant employment legislation, as well as legislation and listing rules regarding Director and senior management remuneration and the disclosure of such remuneration.
- Evaluate the performance of the Board, its committees and Directors to ensure that the Board composition meets the present and future needs of the Company and to make recommendations on Board composition and appointments.

Specifically in the case of appointment of new Directors, the Committee in its role as a nomination committee will:

- Identify the skills and characteristics the Board needs to enhance its operation;
- Establish a process, including obtaining third party advice, for identifying, selecting and recommending to the whole Board, individuals who meet the criteria established;
- Select and interview specific individuals for nomination and make recommendations to the Board on an individual's appointment;
- Ensure the individual understands their duties and responsibilities and the time and energy commitment needed to fulfil their role as a Director;
- Ensure the appointment letter covers all items required to reflect best practice;
- Develop and implement an effective induction process for new Directors; and
- Inform shareholders and stakeholders of the processes in selection and appointment of Directors.

When a new Director is to be appointed, the Remuneration and Nominations Committee reviews the range of skills, experience and expertise on the Board, identifies its needs and makes recommendations to the full Board. Where necessary, advice is sought from independent search consultants. The full Board then appoints the most suitable candidate who must stand for election at the next annual general meeting of the Company. The Committee's nomination of existing Directors for reappointment is not automatic and is contingent on their past performance, contribution to the Company and the current and future needs of the Board and Company.

Each year the Board conducts an evaluation of its performance, its committees and its Directors under the guidance of the Remuneration and Nominations Committee. The assessment is both qualitative and quantitative and is conducted by the Board itself or an independent expert. The Chairperson is responsible for taking any actions that arise from the evaluation. The evaluation should lead to improved Board procedures, as well as goals for operation of the Board during the next year.

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2010, and the number of meetings attended by each Director is disclosed on page 6 of the Directors' Report.

**Principle 3: Promote Ethical and Responsible Decision-Making**

The Company has developed a Company Code of Conduct that has been fully endorsed by the Board and applies to all Directors and employees. The Code of Conduct is regularly reviewed and updated as necessary to ensure it reflects the highest standards of behaviour and professionalism and the practices necessary to maintain confidence in the Group's integrity and to take into account legal obligations and reasonable expectations of the Company's stakeholders.

The Company has a Securities Trading Policy that regulates the dealings by its Directors, employees and contractors, in shares, options and other securities issued by the Company. Under the Company's Securities Trading Policy, a Director, employee or contractor must not trade in any securities of the Company at any time when they are in possession of unpublished price sensitive information in relation to those securities or the Company's operations. Before commencing to trade, a Director, employee or contractor must first obtain appropriate approval to purchase (including the exercise of any options) or sell any securities of the Company. The policy has been formulated to ensure that Directors, employees and contractors who work on a regular basis for the Company are aware of the legal restrictions on trading in company securities while in possession of unpublished price-sensitive information.

**Principle 4: Safeguard Integrity in Financial Reporting**

The Audit and Risk Management Committee Charter describes the role and responsibilities of the Committee to review and monitor financial, audit and risk management matters on behalf of the Board. The Committee consists only of Non-Executive Directors. There must be a minimum of three Directors, the majority of which are independent. The Chairman of the Committee must be an independent Director who is not Chairman of the Board. Over the year, the Committee consisted of the following Directors: A. Fleming (Chairman as of 19 July 2009), D. Sode (Chairman until 19 July 2009) and C. Patterson. Details of these Directors' attendance at Committee meetings are set out in the Directors' Report on page 6.

Each year, the Audit and Risk Management Committee will review the selection, appointment, removal and compensation of external auditors. Grant Thornton Audit Pty Ltd has been appointed as the external auditor for the 30 June 2010 year ended audit and replaced Grant Thornton who have been the Company's external auditor since the 30 June 2008 year end audit. It is Grant Thornton's policy to rotate audit engagement partners on listed companies at least every five years, and in accordance with that policy a new audit engagement partner is not required until 30 June 2013.

**Principle 5: Make Timely and Balanced Disclosures**

The Board has established a policy governing continuous disclosure and has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX.

The identification and monitoring of matters which may require disclosure in accordance with the Company's continuous disclosure obligations occurs on a regular basis at management meetings attended by Senior Management. To ensure that all information of this nature is brought to the attention of the Board, the Company has developed a training program for all staff.

If a matter is identified as potentially requiring disclosure it is provided to the Chairman by the CEO or CFO/Company Secretary. All ASX announcements of a non procedural nature are approved by the Chairman before release. In accordance with the ASX Listing Rules, the Company immediately notifies the ASX of information:

- (a) Concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- (b) That would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

Upon Confirmation of receipt from the ASX, the Company posts all information disclosed in accordance with this policy on the Company's website.

**Principle 6: Respect the Rights of Shareholders**

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- Communicating effectively with shareholders through releases to the market via the ASX, the Company's website, information mailed and emailed to shareholders and the general meetings of the Company;
- Giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- Making it easy for shareholders to participate in general meetings of the Company.

Requesting the external auditor to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and e-mail address for shareholders to make enquiries of the Company.

**Principle 7: Recognise and Manage Risk**

The identification and effective management of risk, including calculated risk-taking is viewed as an essential part of the Company's approach to creating long-term shareholder value. Management, through the CEO, is responsible for designing, implementing and reporting on the adequacy of the Company's risk management and internal control system. Management reports to the Audit and Risk Committee on the Company's key risks and the extent to which it believes these risks are being monitored at each Committee meeting. The Audit and Risk Committee review and monitor management's risk management and internal compliance and control systems.

On a continuous basis the Board has charged the Committee with responsibility that:

- clearly describe the respective roles of the Board, the Committee, Management and the internal audit function, and
- prescribe the necessary elements of an effective risk management system, namely; oversight, risk profile, risk management, compliance and control, and assessment of system effectiveness.

There are inherent risks associated with exploration and the development of resource projects and, in particular, in operating in overseas countries such as PNG. The Company has not established formal policies for the oversight and management of these material business risks other than those delegated to the Audit and Risk Management Committee. Due to the size of the Company and the size of the Board, the Board monitors all key areas of the Company's risk management on an ongoing basis and, where possible, will implement policies and procedures to address such risks.

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that the declaration provided in accordance with section 295A of the *Corporations Act 2001* is founded on a sound system of risk management and internal control and that the system is operating effectively in all material aspects in relation to financial reporting risks.

**Principle 8: Remunerate Fairly and Responsibly**

As described under Principle 2 above, the Board is responsible for determining and reviewing compensation arrangements for the Directors themselves, the Non Executive Chairman and the Senior Management team. The Board has established a Remuneration and Nominations Committee to help ensure that the Company remunerates Directors and senior management in a fair and responsible manner.

The performance of the Board, Committees, individual Directors and key management is reviewed regularly against both measurable and qualitative indicators. Performance appraisals are undertaken annually. The performance criteria against the Board, key management and Committees will be assessed and aligned with key corporate governance needs as well as financial and non-financial objectives. Senior management are given limited salary packaging options for their base salary including

superannuation. It is intended that the manner of payment is optimal for the recipient without increasing the cost to the Company.

Senior management performance and remuneration includes an "at-risk" component, the payment of which is dependent upon individual and team performance relative to specific targets. Long term incentive arrangements have been provided by participation in share option plans to ensure key employees maintain a long term interest in the growth and value of the Company.

In relation to the payment of bonuses, options and other incentive payments to senior management and other staff, discretion is exercised by the Board having regard to individual, team and Company performance relative to specific targets during the period. The expected outcomes of remuneration structure are to retain and motivate Directors and key management, attract quality management and provide performance incentives which align performance and Company success in a manner that is market competitive, consistent with best practice and in the interests of shareholders. Details of the nature and amount of each element of remuneration, including both monetary and non-monetary components, for each Director and senior management paid during the year can be found in the Directors' Report.

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	CONSOLIDATED	
		2010 \$	2009 \$
<b>Revenue from continuing operations</b>	2	<b>702,158</b>	1,415,049
Other income	2	<b>30,226</b>	-
Corporate expenses		<b>(405,708)</b>	(296,764)
Administrative expenses		<b>(452,245)</b>	(162,757)
Employment and consulting expenses		<b>(2,123,851)</b>	(947,119)
Occupancy expenses		<b>(73,577)</b>	(44,485)
Depreciation	3	<b>(48,206)</b>	(104,643)
Unrealised exchange losses		-	(116,245)
Exploration expenditure written off		<b>(2,846,545)</b>	-
Finance costs		-	(10,844)
Share-based payments	3, 25(f)	<b>(170,805)</b>	(547,589)
<b>Loss before income tax expense</b>		<b>(5,338,553)</b>	(815,397)
Income tax expense/(credit)	4	-	-
<b>Net loss attributed to members of the parent entity</b>		<b>(5,388,553)</b>	(815,397)
Other comprehensive income/(expenses):			
Foreign currency translation reserve	16(a)	<b>(825,439)</b>	77,290
<b>Other comprehensive income/(expenses) net of income tax for the year</b>		<b>(825,439)</b>	77,290
<b>Total comprehensive income attributed to members of the parent entity</b>		<b>(6,213,992)</b>	(738,107)
<b>Loss per Share</b>			
Basic (cents per share)	23	<b>(7.83)</b>	(1.23)
Diluted (cents per share)	23	<b>(6.60)</b>	(1.01)

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010

	Notes	CONSOLIDATED	
		2010 \$	2009 \$
<b>Current Assets</b>			
Cash and cash equivalents	7	10,246,474	22,584,639
Trade and other receivables	8	137,978	319,156
Inventories	9	57,623	-
Other assets	10	180,649	190,158
<b>Total Current Assets</b>		<b>10,622,724</b>	<b>23,093,953</b>
<b>Non-Current Assets</b>			
Plant and equipment	11	176,446	170,146
Exploration expenditure	12	20,203,096	13,667,811
<b>Total Non-Current Assets</b>		<b>20,379,542</b>	<b>13,837,957</b>
<b>Total Assets</b>		<b>31,002,266</b>	<b>36,931,910</b>
<b>Current Liabilities</b>			
Trade and other payables	13	646,163	534,099
Employee benefits	14	57,302	156,401
<b>Total Current Liabilities</b>		<b>703,465</b>	<b>690,500</b>
<b>Non-Current Liabilities</b>			
Employee benefits	14	8,014	40,769
<b>Total Non-Current Liabilities</b>		<b>8,014</b>	<b>40,769</b>
<b>Total Liabilities</b>		<b>711,479</b>	<b>731,269</b>
<b>Net Assets</b>		<b>30,290,787</b>	<b>36,200,641</b>
<b>Equity</b>			
Issued capital	15	41,001,087	39,464,444
Reserves	16(a)	794,163	2,852,107
Accumulated losses	16(b)	(11,504,463)	(6,115,910)
<b>Total Equity</b>		<b>30,290,787</b>	<b>36,200,641</b>

*The above statement of financial position should be read in conjunction with the accompanying notes.*

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2010

	Notes	Issued Capital \$	Accumulated Losses \$	Reserves \$	Total \$
<b>CONSOLIDATED</b>					
<b>Equity as at 30 June 2008</b>		<b>26,390,957</b>	<b>(5,300,513)</b>	<b>2,227,228</b>	<b>23,317,672</b>
Loss for the period		-	(815,397)	-	(815,397)
Other comprehensive income/(expense)		-	-	77,290	77,290
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(815,397)</b>	<b>77,290</b>	<b>(738,107)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of options	16	-	-	15,708	15,708
Issue of performance rights	16	-	-	531,881	531,881
Issue of shares	15	13,500,000	-	-	13,500,000
Costs of capital raising	15	(426,513)	-	-	(426,513)
<b>Sub-total</b>		<b>13,073,487</b>	<b>-</b>	<b>547,589</b>	<b>13,621,076</b>
<b>Equity as at 30 June 2009</b>		<b>39,464,444</b>	<b>(6,115,910)</b>	<b>2,852,107</b>	<b>36,200,641</b>
Loss for the period		-	(5,388,553)	-	(5,388,553)
Other comprehensive income/(expense)		-	-	(825,439)	(825,439)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>(5,388,553)</b>	<b>(825,439)</b>	<b>(6,213,992)</b>
<b>Transactions with owners in their capacity as owners:</b>					
Issue of options	16	-	-	72,708	72,708
Exercise of options	16	166,411	-	(33,078)	133,333
Issue of performance rights	16	-	-	98,097	98,097
Exercise of performance rights	16	1,370,232	-	(1,370,232)	-
<b>Sub-total</b>		<b>1,536,643</b>	<b>-</b>	<b>(1,232,505)</b>	<b>304,138</b>
<b>Equity as at 30 June 2010</b>		<b>41,001,087</b>	<b>(11,504,463)</b>	<b>794,163</b>	<b>30,290,787</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2010**

	Notes	CONSOLIDATED	
		2010 \$	2009 \$
<b>Cash Flows From Operating Activities</b>			
Interest received		884,697	1,183,878
Cash payments in the course of operations		(3,192,982)	(1,989,637)
Insurance recovery on motor vehicle		11,968	-
Net cash flows (used in) operating activities	21	<u>(2,296,317)</u>	<u>(805,759)</u>
<b>Cash Flows From Investing Activities</b>			
Payments for property, plant and equipment		(164,607)	(161,955)
Proceeds from sale of plant and equipment		450	-
Payments for exploration expenditure		<u>(10,168,382)</u>	<u>(6,561,780)</u>
Net cash (used in) investing activities		<u>(10,332,539)</u>	<u>(6,723,735)</u>
<b>Cash Flows From Financing Activities</b>			
Proceeds from issue of equity securities		133,333	13,500,000
Payment for share issue costs		-	(426,513)
Net cash flows from financing activities		<u>133,333</u>	<u>13,073,487</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(12,495,523)</b>	<b>5,543,993</b>
Cash and cash equivalents at beginning of the financial year		22,584,639	17,503,201
Effects of exchange rate changes on cash		<u>157,358</u>	<u>(462,555)</u>
<b>Cash and cash equivalents at the end of the financial year</b>	7	<b><u>10,246,474</u></b>	<b><u>22,584,639</u></b>

*The above statement of cash flows should be read in conjunction with the accompanying notes.*

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## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the consolidated entity consisting of Goldminex Resources Limited and its controlled entities (the 'Group').

### **Basis of preparation**

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 (AASB) and the *Corporations Act 2001*.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

### *Compliance with IFRS*

The consolidated financial statements of Goldminex Resources Limited comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

### *Historical cost convention*

The financial report has been prepared on an accruals basis and is based on historical cost, modified, where applicable, by the measurement at fair value of selected non-current assets and financial instruments.

### *Financial statement presentation*

The group has applied the revised AASB 101 Presentation of Financial Statement which became effective on 1 January 2009. The revised standard requires the presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Group had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with revised standard.

### *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.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below:

### Exploration expenditure

Exploration assets are assessed for impairment in accordance with AASB 6 - *Exploration for and Evaluation of Mineral Resources* when facts and circumstances suggest that the carrying amount of an exploration asset may exceed its recoverable amount. This assessment requires assumptions to be made about the status of works and prospectivity of exploration projects per note 1(f).

### Plant and equipment useful lives

The estimation of useful lives of plant and equipment has been based on historical experience and judgement with respect to technical obsolescence, physical deterioration and usage capacity of the asset in addition to any legal restrictions on usage. The condition of the asset is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

### Share based payments

The group measures the cost of equity settled transacts with employees by reference to the fair value of equity instruments at grant date. The fair value is determined by an external valuer using a range of pricing models. These calculations require assumptions to be made per note 25.

### *Consolidation*

The consolidated financial statements comprise the financial statements of Goldminex Resources Limited and controlled entities as at 30 June each year. The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

All intercompany balances and transactions between entities in the Group 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 2010 there were two subsidiary entities, as detailed in note 24.

#### **(a) Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand, deposits held at call with banks and other 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 15.

#### 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:

- (i) 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
- (ii) 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 statement of cash flows 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 non financial 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.

The 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, 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 the 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 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 Group 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 statement of comprehensive income, 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.

#### **(f) Exploration expenditure**

Exploration expenditures in relation to each separate area of interest are recognised as an exploration 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 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 activities. General and administrative costs are only included in the measurement of exploration costs where they are related directly to operational activities in a particular area of interest.

Exploration 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 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 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 reporting 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 is 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:

	Years
Plant, vehicles and equipment	2 – 15

The asset's 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 others 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 Binomial 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 25.

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**

The acquisition method of accounting is used to account for all business combinations, excluding business combinations involving entities or businesses under common control which are transferred using the underlying carrying values of the entity being acquired, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as

incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the fair value of consideration transferred, over the fair value of the Group's share of net identifiable assets of the subsidiary acquired is recorded as goodwill. If those amounts are less than the fair value of net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

#### *Change in accounting policy*

A revised AASB 3 *Business Combinations* became operative on 1 July 2009. While the revised standard continues to apply the acquisition method to business combinations, there have been some significant changes.

All purchase consideration is now recorded at fair value at the acquisition date. Contingent payments classified as debt are subsequently remeasured through profit or loss. Under the Group's previous policy, contingent payments were only recognised when the payments were probable and could be measured reliably and were accounted for as an adjustment to the cost of the acquisition.

Acquisition-related costs are expensed as incurred. Previously, they were recognised as part of the cost of acquisition and therefore included in goodwill.

Non-controlling interests in an acquiree are now recognised either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This decision is made on an acquisition-by-acquisition basis.

Under the previous policy, the non-controlling interest was always recognised at its share of the acquiree's net identifiable assets.

If the Group recognises previous acquired deferred tax assets after the initial acquisition accounting is completed there will no longer be any adjustment to goodwill. As a consequence, the recognition of the deferred tax asset will increase the Group's net profit after tax.

These changes were implemented prospectively from 1 July 2009 and, since there were no business combinations during the period, there has been no impact to the financial statements in the current reporting period.

#### **(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 reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting 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**

##### *(i) Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be paid within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid, including expected on-costs, when the liabilities are settled.

*(ii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made, plus expected on-costs, in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*(iii) Executive incentives*

Senior management may be eligible for Short Term Incentive payments ("STI") subject to achievement of Key Performance Indicators, as recommended by the Remuneration and Nomination Committee and approved by the Board of Directors. The Group recognises a liability and an expense for STI's in the reporting period during which it is probable that these benefits will arise.

*(iv) Termination benefits*

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before normal retirement date.

**(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 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) New accounting standards and interpretations**

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2010 reporting period. The Group's assessment of the impact of these new standards and interpretations is set out below:

*(i) AASB 2009-8 Amendments to Australian Accounting Standards - Group Cash-settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010)*

The amendments made by the AASB to AASB 2 confirm that an entity receiving services in a group share-based payment arrangement must recognise an expense for services regardless of which entity in the Group settles the transaction or whether the transaction is settled in shares or cash. They also clarify how the group share-based payment

arrangement should be measured, that is, whether it is measured as an equity or a cash-settled transaction. The Group will apply these amendments retrospectively for the financial reporting period commencing on 1 July 2010. There will be no impact on the Group's financial statements.

*(ii) AASB 2009-10 Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132] (effective from 1 February 2010)*

In October 2009 the AASB issued an amendment to AASB 132 Financial Instruments: Presentation which addresses the accounting rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights issues are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment must be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors.

The Group will apply the amended standard from 1 July 2010. As the Group has not made any such rights issues, the amendment will not have any effect on the Group's financial statements.

*(iii) AASB 9 Financial Instruments and AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013)*

AASB 9 Financial Instruments addresses the classification and measurement of financial assets and may impact the Group's accounting for its financial assets in the future. The standard is not applicable until 1 January 2013 but is available for early adoption. The amendments have no current impact on the Group's financial statements.

*(iv) AASB Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments and AASB 2009-14 Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010)*

AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. The Group will apply the interpretation from 1 July 2010. It is not expected to have any impact on the Group's financial statements since the Group has not currently entered into any debt or equity swaps.

(v) *AASB 2009-14 Amendments to Australian Interpretation - Prepayments of a Minimum Funding Requirement (effective from 1 January 2011)*

In December 2009, the AASB made an amendment to Interpretation 14 *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. As the Group does have a Defined Benefit Scheme, the amendment will not have any impact on the Group's financial statements.

(vi) The following list of standards were amended by AASB 2009-12 and 2010-3 *Amendments to Australian Accounting Standards arising from the Annual Improvements Projects*; and AASB 2009-5, 2009-12 and 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project*. These changes have no current impact for the Group and are not effective as at 30 June 2010.

- AASB 3 Business Combinations;
- AASB 5 Non-current Assets Held for Sale and Discontinued Operations;
- AASB 7 Financial Instruments: Disclosures;
- AASB 8 Operating Segments;
- AASB 101 Presentation of Financial Statements;
- AASB 107 Statement of Cash Flows;
- AASB 117 Leases;
- AASB 118 Revenues;
- AASB 121 The Effects of Changes in Foreign Exchange Rates;
- AASB 124 Related Party Disclosures;
- AASB 128 Investments in Associates;
- AASB 131 Interest in Joint Ventures;
- AASB 132 Financial Instruments: Presentation;
- AASB 134 Interim Financial Reporting;
- AASB 136 Impairment of Assets; and,
- AASB 139 Financial Instruments: Recognition and Measurement

## (o) Earnings per share

### Basic earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) 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.

## (p) Parent entity financial information

The financial information for the parent entity, Goldminex Resources Limited, disclosed in note 28 has been prepared on the same basis as the consolidated financial statements, except as set out below:

### *(i) Investments in subsidiaries*

Investments in subsidiaries are accounted for at cost less accumulated impairment losses in the financial statements of Goldminex Resources Limited.

## (q) Inventories

Raw materials are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost, of completion and the estimated costs necessary to make the sale.

	Notes	CONSOLIDATED	
		2010 \$	2009 \$
<b>2. REVENUE FROM ORDINARY ACTIVITIES AND OTHER INCOME</b>			
Revenue from ordinary activities			
Interest revenue		<b>702,158</b>	1,415,049
Other income			
Unrealised exchange gains		<b>18,258</b>	-
Insurance recoveries		<b>11,968</b>	-
		<b>30,226</b>	-
<b>3. LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE</b>			
Loss before income tax has been arrived at after (crediting)/charging the following:			
Depreciation of non-current assets	11	<b>48,206</b>	104,643
Finance costs:			
Interest expense – external		-	10,844
Rental expense on operation lease		<b>67,344</b>	35,002
Negotiated settlements paid to executive directors in lieu of contractual entitlements:			
Basil Tambanis		<b>800,000</b>	-
Steven Tambanis		<b>372,000</b>	-
Net loss on disposal/write off of plant and equipment		<b>2,334</b>	-
Share-based payments:			
Equity settled share-based payments	25(f)	<b>170,805</b>	547,589

	<b>CONSOLIDATED</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>4. INCOME TAX EXPENSE</b>		
(a) The components of tax expense:		
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>
(b) The prima facie tax on the loss for the year before income tax is reconciled to the income tax expense as follows:		
<b>Loss for the year</b>	<b>(5,388,553)</b>	<b>(815,397)</b>
Income tax benefit calculated at 30%	<b>(1,616,566)</b>	<b>(244,619)</b>
Add/(less) tax effect of:		
Share-based payments	<b>51,241</b>	<b>164,277</b>
Other permanent differences	<b>8,034</b>	<b>4,163</b>
	<u><b>(1,557,291)</b></u>	<u><b>(76,179)</b></u>
<b>Add/(less) tax effect of timing differences:</b>		
Tax rate differential on foreign income/loss	<b>(473,026)</b>	<b>(354,040)</b>
Provisions and accruals	<b>(38,023)</b>	<b>21,244</b>
Deductible exploration expenditure	<b>(1,960,586)</b>	<b>(2,095,614)</b>
Deductible black hole expenditure	<b>(114,315)</b>	<b>(118,406)</b>
	<u><b>(4,143,241)</b></u>	<u><b>(2,622,995)</b></u>
Add/(less) income tax losses carried forward not taken up as a benefit	<b>4,143,241</b>	<b>2,622,995</b>
Tax expense	<u>-</u>	<u>-</u>
Deferred tax assets not brought to account:		
Tax losses	<b>9,303,718</b>	<b>5,160,497</b>
Temporary differences	<b>(8,025,263)</b>	<b>(4,895,914)</b>
	<u><b>1,278,455</b></u>	<u><b>264,583</b></u>

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

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

**5. KEY MANAGEMENT PERSONNEL DISCLOSURE****(a) Directors**

The name and position of Directors of the Company in office at any time during the financial year:

<b>Name</b>	<b>Position</b>	
Mr J Downie <sup>(1)</sup>	Chairman	Non Executive
Mr D Sode	Director	Non Executive
Mr A Fleming	Director	Non Executive
Mr A Matheson	Director	Non Executive
Mr C Patterson	Director	Non Executive
Mr B Tambanis <sup>(2)</sup>	Managing Director	Executive
Mr S Tambanis <sup>(3)</sup>	Director	Executive

(1) Appointed 2 February 2010.

(2) Resigned 25 September 2009.

(3) Resigned 15 March 2010.

**(b) Other key management personnel**

The following key management personnel formed part of the leadership team and also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the entire financial year (exceptions noted):

<b>Name</b>	<b>Position</b>	<b>Period</b>
Mr A Moyle	Chief Executive Officer	(Appointed 2 February 2010)
Mr P Thaw	CFO and Company Secretary	

**(c) Key management personnel compensation**

The aggregate compensation of the Directors and senior management of the Group is set out below:

	<b>CONSOLIDATED</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Short-term employment benefits	<b>981,074</b>	912,398
Consulting fees	<b>13,350</b>	37,500
Post-employment benefits	<b>133,001</b>	79,812
Retirement benefits	<b>1,124,625</b>	-
Employee Incentive Option Scheme	<b>44,759</b>	3,532
Other share-based payments <sup>(1)</sup>	<b>67,442</b>	386,445
	<b>2,364,251</b>	1,419,687

(1) Share-based payments relate to performance rights issued on listing.

Refer to the 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**

The numbers of options over ordinary shares in the Company held during the financial year by each Director and other key management personnel of the Group, including related parties, are set out below:

	Balance 1.7.2009 No.	Granted as Compensation No.	Options Exercised No.	Balance 30.6.2010 No.	Vested and Exercisable No.	Unvested No.
J Downie <sup>(1)</sup>	-	-	-	-	-	-
D Sode	-	-	-	-	-	-
B Tambanis/ S Tambanis <sup>(2) (3)</sup>	4,900,000	-	-	4,900,000	4,900,000	-
A Fleming	-	-	-	-	-	-
C Patterson	-	-	-	-	-	-
A Matheson	-	-	-	-	-	-
S Moyle <sup>(4)</sup>	100,000	-	-	100,000	100,000	-
P Thaw	100,000	-	-	100,000	50,000	50,000
	<b>5,100,000</b>	-	-	<b>5,100,000</b>	<b>5,050,000</b>	<b>50,000</b>

(1) Appointed 2 February 2010.

(2) End balance for key management personnel is taken as at cessation of employment. Figures include options held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

(3) Mr B Tambanis resigned on 25 September 2009 and Mr S Tambanis resigned on 15 March 2010.

(4) Appointed 2 February 2010.

	Balance 1.7.2008 No.	Granted as Compensation No.	Options Exercised No.	Balance 30.6.2009 No.	Vested and Exercisable No.	Unvested No.
J Downie <sup>(1)</sup>	-	-	-	-	-	-
D Sode	-	-	-	-	-	-
B Tambanis/ S Tambanis <sup>(2)</sup>	4,900,000	-	-	4,900,000	4,900,000	-
A Fleming	-	-	-	-	-	-
C Patterson	-	-	-	-	-	-
A Matheson	-	-	-	-	-	-
S Moyle <sup>(3)</sup>	-	100,000	-	100,000	-	100,000
P Thaw <sup>(4)</sup>	-	100,000	-	100,000	-	100,000
	<b>4,900,000</b>	<b>200,000</b>	-	<b>5,100,000</b>	<b>4,900,000</b>	<b>200,000</b>

(1) Appointed 2 February 2010.

(2) Figures include options held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

(3) Appointed 2 February 2010.

(4) Appointed 4 May 2009

**(e) Shareholdings by key management personnel or their nominees**

The numbers of shares in the Company held during the financial year by each Director and other key management personnel of the Group, including related parties, are set out below:

	Balance 1.7.2009 No.	Received during the year on exercise of Performance Rights No.	Shares granted as compensation Issued No.	Net Change Other No.	Balance 30.6.2010 No.
J Downie <sup>(1)</sup>	-	-	-	-	-
D Sode	20,000	-	-	-	20,000
B Tambanis/S Tambanis <sup>(2)(3)</sup>	8,975,554	1,400,000	-	-	10,375,554
A Fleming	27,000	200,000	-	-	227,000
A Matheson	-	-	-	-	-
C Patterson	-	-	-	-	-
S Moyle <sup>(4)</sup>	-	-	-	-	-
P Thaw	-	-	-	-	-
	<b>9,022,554</b>	<b>1,600,000</b>	-	-	<b>10,622,554</b>

(1) Appointed 2 February 2010.

(2) End balance for key management personnel is taken as at cessation of employment. Figures include shares held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

(3) Mr B Tambanis resigned on 25 September 2009 and Mr S Tambanis resigned on 15 March 2010.

(4) Appointed 2 February 2010.

	Balance 1.7.2008	Received during the year on exercise of Performance Rights	Shares granted as compensation Issued	Net Change Other	Balance 30.6.2009
	No.	No.	No.	No.	No.
J Downie <sup>(1)</sup>	-	-	-	-	-
D Sode	20,000	-	-	-	20,000
B Tambanis/S. Tambanis <sup>(2)</sup>	9,695,554	-	-	(720,000)	8,975,554
A Fleming	27,000	-	-	-	27,000
A Matheson	-	-	-	-	-
C Patterson	-	-	-	-	-
S Moyle <sup>(3)</sup>	-	-	-	-	-
P Thaw	-	-	-	-	-
	<b>9,742,554</b>	<b>-</b>	<b>-</b>	<b>(720,000)</b>	<b>9,022,554</b>

(1) Appointed 2 February 2010.

(2) End balance for key management personnel is taken as at cessation of employment. Figures include shares held by Tinpage Pty Ltd as trustee for the Tambanis Family Trust.

(3) Appointed 2 February 2010.

#### CONSOLIDATED

2010	2009
\$	\$

#### 6. AUDITOR REMUNERATION

##### Auditor of the Company – Grant Thornton

Auditing or reviewing the financial reports	33,021	32,500
Other accounting services		
Tax compliance services	10,310	-
Other advisory services	-	4,500
	<b>43,331</b>	<b>37,000</b>

##### Auditor of subsidiary entities – Sinton Spence

Auditing or reviewing the financial reports	16,984	-
Other accounting services		
Tax compliance services	1,286	544
Other advisory services	3,431	3,541
	<b>21,701</b>	<b>4,085</b>
<b>Total auditor remuneration</b>	<b>65,032</b>	<b>41,085</b>

#### 7. CASH AND CASH EQUIVALENTS

##### Current

Cash at bank and on hand	1,760,032	3,328,753
Deposits at call	8,486,442	19,255,886
	<b>10,246,474</b>	<b>22,584,639</b>

The effective rate of interest on bank deposits was 5.84% (2009: 3.97%). These deposits have an average maturity of 121 days.

	CONSOLIDATED	
	2010	2009
	\$	\$
<b>8. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Goods and services tax recoverable	38,348	36,987
Withholding tax	98,254	-
Other receivables	1,376	282,169
	<b>137,978</b>	<b>319,156</b>

Trade receivables are non-interest bearing and are generally on 30 day terms. Due to the short term nature of the receivables, their carrying value is assumed to approximate fair value. No collateral or security is held.

The Group has financial risk management policies in place to ensure that all receivables are received within the credit time frame.

<b>9. INVENTORIES</b>		
<b>Current</b>		
Raw materials		
- at cost	57,623	-

<b>10. OTHER ASSETS</b>		
<b>Current</b>		
Prepayments	147,130	84,050
Security deposits	21,650	100,822
Rental bonds	11,869	5,286
	<b>180,649</b>	<b>190,158</b>

<b>11. PLANT AND EQUIPMENT</b>		
Plant and equipment at cost	428,964	312,951
Less accumulated depreciation	(252,518)	(142,805)
Net book value	<b>176,446</b>	<b>170,146</b>

#### Plant and equipment

##### *Reconciliation of carrying value:*

Carrying amount at beginning of the year	170,146	112,834
Additions	164,607	161,406
Depreciation capitalised to exploration expenditure	(98,165)	-
Depreciation expense	(48,206)	(104,643)
Disposals/write off	(2,784)	-
Exchange variations	(9,152)	549
Carrying amount at end of the year	<b>176,446</b>	<b>170,146</b>

No plant and equipment has been pledged as collateral or security.

		<b>CONSOLIDATED</b>	
	Notes	<b>2010</b>	2009
		\$	\$
<b>12. EXPLORATION EXPENDITURE</b>			
Exploration expenditure	1(f)	<u>20,203,096</u>	13,667,811
<i>Reconciliation of carrying value:</i>			
Balance at beginning of the year		13,667,811	6,682,431
Exploration expenditure		10,604,254	6,921,651
Write off		<b>(2,846,545)</b>	-
Exchange variations		<u>(1,222,424)</u>	63,729
Balance at end of the year		<u>20,203,096</u>	13,667,811

## (a) Write off of exploration expenditure

In accordance with AASB 6 - *Exploration for and Evaluation of Mineral Resources*, the Group has written off capitalised expenditure on the tenements which no longer warrant capitalisation. The write off of \$2,846,545, relates to previous capitalised expenditure relating to works undertaken on the gold/copper targets at the Kemani Project within EL 1433

## (b) Carrying value

Recoverability of the carrying amount of exploration assets is dependent on successful exploration and development and/or sale of mineral resources or respective areas of interest. Refer to note 1(f) for further details.

**13. TRADE AND OTHER PAYABLES****Current**

Trade payables <sup>(1)</sup>	455,806	338,835
Related party trade payable	51,636	73,127
Other payables	<u>138,721</u>	122,137
	<u>646,163</u>	534,099

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

**14. EMPLOYEE BENEFITS****Current**

Provision for annual leave	<u>57,302</u>	156,401
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**Non-Current**

Provision for long service leave	<u>8,014</u>	40,769
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		CONSOLIDATED	
		2010	2009
		\$	\$
<b>15. ISSUED CAPITAL</b>			
69,957,056 fully paid ordinary shares (2009: 67,023,723)		<b>41,001,087</b>	39,464,444

**(a) Movement in ordinary share capital**

Date	Details	Note	Number of Shares	Issue Price	\$
1 July 2008	Opening balance		60,273,723		26,390,957
11 August 2008	Private placement of shares	(i)	6,750,000	\$2.0000	13,500,000
11 August 2008	Less: Costs of capital raising		-	-	(426,513)
	Balance at 30 June 2009		<b>67,023,723</b>		<b>39,464,444</b>
20 October 2009	Exercise of performance rights	(ii)	1,312,500	\$0.5709	749,345
6 November 2009	Exercise of performance rights	(ii)	1,087,500	\$0.5709	620,887
2 February 2010	Exercise of options	(iii)	533,333	\$0.3120	166,411
	Balance at 30 June 2010		<b>69,957,056</b>		<b>41,001,087</b>

- (i) In August 2008, the Company made a private placement of shares to sophisticated and professional investors. The placement was ratified at the Annual General Meeting held on 14 November 2008.
- (ii) During the year, performance rights were exercised in accordance with the Company's performance rights plan, as approved at the Annual General Meeting held on 31 August 2007. Refer to note 25 for further details.
- (iii) On the 2nd February 2010, ordinary shares were issued following the exercise of 25 cent options in accordance with the unlisted options terms and conditions and Shareholders' Deed as approved at the General Meeting of shareholders held on 31 August 2007.

**(b) Terms and conditions of issued capital**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

	CONSOLIDATED	
	2010	2009
	\$	\$
<b>16. RESERVES &amp; ACCUMULATED LOSSES</b>		
<b>(a) Reserves</b>		
Option reserve	1,444,335	1,404,705
Foreign currency translation reserve	(741,521)	83,918
Performance rights reserve	91,349	1,363,484
	<b>794,163</b>	<b>2,852,107</b>
<b>Movements:</b>		
<u>Option reserve</u>		
<i>The option reserve records items recognised as expenses on valuation of share options.</i>		
Balance at beginning of the year	1,404,705	1,388,997
Options expense	79,005	15,708
Forfeiture of options	(6,297)	-
Transfer to share capital on exercise of options	(33,078)	-
Balance at end of the year	<b>1,444,335</b>	<b>1,404,705</b>
<u>Foreign currency translation reserve</u>		
<i>The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.</i>		
Balance at beginning of the year	83,918	6,628
Currency translation differences arising during the year	(825,439)	77,290
Balance at end of the year	<b>(741,521)</b>	<b>83,918</b>
<u>Performance rights reserve</u>		
<i>The performance rights reserve records items recognised as expenses on valuation of performance rights.</i>		
Balance at beginning of the year	1,363,484	831,603
Performance rights expense	98,097	531,881
Transfer to share capital	(1,370,232)	-
Balance at end of the year	<b>91,349</b>	<b>1,363,484</b>
<b>(b) Accumulated losses</b>		
Movements in accumulated losses were as follows:		
Balance at beginning of the financial year	(6,115,910)	(5,300,513)
Loss for period	(5,388,553)	(815,397)
Balance at end of the financial year	<b>(11,504,463)</b>	<b>(6,115,910)</b>

**17. DIVIDENDS**

There have been no dividends paid or proposed in the 2009 or 2010 financial years.

**18. COMMITMENTS FOR EXPENDITURE****(a) Exploration tenements**

In order to maintain current rights of tenure to exploration tenements, the Group is required to outlay rentals and to meet the minimum expenditure requirements of the PNG 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.

	<b>CONSOLIDATED</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Expenditure commitments</b>		
Within one year	<b>664,415</b>	1,189,282
Later than one year but not later than 5 years	<b>146,562</b>	657,819
Later than 5 years	-	-
	<b>810,977</b>	<b>1,847,101</b>

**(b) Non-cancellable operating leases**

The Group leases various property, plant and equipment under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are negotiated. There are no restrictions placed upon the lessee by entering into these leases.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Within one year	<b>56,241</b>	73,176
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
	<b>56,241</b>	<b>73,176</b>

**19. SEGMENT NOTE**

The Company has adopted AASB 8 - *Operating Segments*. The new standard requires a 'management approach' under which segment information is prepared on the same basis as that used for internal reporting purposes. This has resulted in the segments being reported in a manner that is materially consistent with the internal reporting provided to the Board and Chief Executive Officer. The adoption of AASB 8 has not affected the previously identified operating segments for the Group.

**Description of segments**

The consolidated entity has two reportable operating segments: Australian Head Office and PNG Exploration.

*Australia Head Office*

The home country of the parent entity which is also the main operating entity.

*PNG Exploration*

The Group conducts mineral exploration and evaluation activities within Papua New Guinea.

**(a) Segment reporting**

The segment information provided to the Chief Executive Officer for operating segments for the year ended 30 June 2010 is as follows:

	Australian Head Office	PNG Exploration	Total
Year ending 30 June 2010	\$	\$	\$
Total segment revenue	702,158	-	702,158
Intersegment revenue	-	-	-
<b>Revenue from external customers</b>	<b>702,158</b>	<b>-</b>	<b>702,158</b>
<b>Segment loss before tax</b>	<b>(2,425,808)</b>	<b>(2,962,745)</b>	<b>(5,388,553)</b>
Depreciation of assets	48,206	-	48,206
<b>Total segment assets</b>	<b>10,410,023</b>	<b>20,592,243</b>	<b>31,002,266</b>
Total assets includes:			
Additions to non-current assets	17,050	147,557	164,607
Exploration expenditure	-	10,604,254	10,604,254
<b>Total segment liabilities</b>	<b>366,159</b>	<b>345,320</b>	<b>711,479</b>
	Australian Head Office	PNG Exploration	Total
Year ending 30 June 2009	\$	\$	\$
Total segment revenue	1,415,049	-	1,415,049
Intersegment revenue	-	-	-
<b>Revenue from external customers</b>	<b>1,415,049</b>	<b>-</b>	<b>1,415,049</b>
<b>Segment loss before tax</b>	<b>(726,686)</b>	<b>(88,711)</b>	<b>(815,397)</b>
Depreciation of assets	40,805	63,838	104,643
<b>Total segment assets</b>	<b>23,181,544</b>	<b>13,750,366</b>	<b>36,931,910</b>
Total assets includes:			
Additions to non-current assets	88,677	73,278	161,955
Exploration expenditure	-	6,921,651	6,921,651
<b>Total segment liabilities</b>	<b>531,159</b>	<b>200,110</b>	<b>731,269</b>

**(b) Geographic information**

	Segment revenue		Non-current assets	
	2010	2009	2010	2009
	\$	\$	\$	\$
Australia	702,158	1,415,049	36,216	69,797
Papua New Guinea	-	-	20,343,326	13,768,160
	<b>702,158</b>	<b>1,415,049</b>	<b>20,379,542</b>	<b>13,837,957</b>

**(c) Other segment information****Accounting policies**

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, capitalised exploration and evaluation expenditure, plant and equipment, net of allowances and accumulated depreciation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits and accrued expenses. Segment assets and liabilities do not include deferred income taxes.

The basis of measurement for these items is a manner consistent with that in the statement of comprehensive income and statement of financial position.

**Intersegment transfers**

Segment revenues, expenses and results include transfers between segments. These transactions are carried out at arm's length and no additional margins are charged on intersegment transactions.

**20. RELATED PARTY TRANSACTIONS****(a) Parent entities**

The parent entity within the Group is Goldminex Resources Limited. The parent entity's interests in subsidiary companies are set out in note 24.

**(b) Key management personnel remuneration**

Disclosures relating to key management remuneration are set out in note 5.

**(c) 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.

Details of related party transactions with key management personnel are as follow:

During the year, the Company engaged the services of Denise Tambanis, a related party of key management personnel. Total remuneration received during the year was \$98,454 (2009: \$64,554 and consultancy fees of \$51,300). Ms Tambanis ceased employment with the Company on 13 November 2009.

During the year, the Company employed Peter Tambanis, a related party of key management personnel. Total remuneration received during the year was \$206,304 (2009: \$154,400). The Company also recognised an expense of \$26,823 (2009: \$145,436) for share-based payments relating to performance rights issued to Mr Tambanis on listing. Mr Tambanis ceased employment with the Company on 20 April 2010.

		CONSOLIDATED	
		2010	2009
		\$	\$
<b>(d)</b>	<b>Outstanding balances arising from sales/purchases of goods and services</b>		
	Current payables (purchases of services):		
	Related party trade payable	51,636	73,127
<b>(e)</b>	<b>Options issued to related parties</b>		
	During the year no options were issued to related parties. During the year ended 30 June 2009, 200,000 options were issued to senior management under the Employee Incentive Option Scheme. Refer to note 25 for further details.		
<b>(f)</b>	<b>Transactions with other related parties</b>		
	The following transactions occurred with related parties of directors and key management personnel.		
	Consultancy fees – geological services	272,129	-
	On 15 January 2010, the Company entered into a contract with ASVI Technical Service Group Ltd for the provision of geological services to support exploration activities within PNG. This contract was made at arm's length both at normal market prices and on normal commercial terms.		
<b>21.</b>	<b>RECONCILIATION OF LOSS FROM ORDINARY ACTIVITIES AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		
	Loss after related income tax	(5,388,553)	(815,397)
	Depreciation	48,206	104,643
	Share-based payments expense	170,804	547,589
	Unrealised exchange rate adjustments	(18,259)	116,245
	Exploration expenditure write off	2,846,545	-
	Loss on disposal/write off of plant and equipment	2,334	-
	Changes in net assets and liabilities:		
	<i>(Increase)/decrease in assets:</i>		
	Current receivables and prepayments	290,582	(325,661)
	<i>Increase/(decrease) in liabilities:</i>		
	Payables and employee benefits	(247,976)	(433,178)
	Net cash (outflow) from operating activities	<u>(2,296,317)</u>	<u>(805,759)</u>

**22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Board of Directors has overall responsibility for the establishment and oversight of the financial risk management framework. The Board approves policies for overall financial risk management, covering foreign exchange and liquidity risks. The objective of these policies is to support the delivery of the Group's financial targets while protecting future financial security. The Board also has established policies regarding the use of derivatives and does not permit their use for speculative purposes.

The Group's Audit & Risk Committee reviews the adequacy of the financial risk management framework established by the Board. In doing so, the Committee considers the financial risks faced by the Group and changes in market conditions. The Committee also oversees how management monitors compliance with the Group's financial risk management policies and procedures.

The Audit & Risk Committee reports regularly to the Board on its activities and:

- undertakes reviews of the financial risk management controls and procedures; and
- monitors the exposure to fluctuations in commodity prices, interest rates, foreign exchange rates and the market assessments in respect of these.

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

The main risks arising from the Group's financial instruments are cash flow interest rate risk. Other minor risks are summarised below.

**(a) Financial Instruments**

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments.

	Notes	Floating Interest Rate		Fixed Interest Rate Maturing In 1 Year or Less		Non-Interest Bearing		Total Carrying Amount	
		2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$	2010 \$	2009 \$
<b>Group</b>									
<b>Financial assets</b>									
Cash	7	1,535,659	2,468,365	8,486,442	19,255,886	224,373	860,388	10,246,474	22,584,639
Trade and other receivables	8	-	-	-	-	137,978	319,156	137,978	319,156
<b>Total</b>		<b>1,535,659</b>	<b>2,468,365</b>	<b>8,486,442</b>	<b>19,255,886</b>	<b>362,351</b>	<b>1,179,544</b>	<b>10,384,452</b>	<b>22,903,795</b>
Weighted average interest Rate as at 30 June		4.18%	2.44%	5.92%	3.97%	-	-	-	-
<b>Financial liabilities</b>									
Trade and other payables	13	-	-	-	-	646,163	534,099	646,163	534,099
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>646,163</b>	<b>534,099</b>	<b>646,163</b>	<b>534,099</b>
Weighted average interest rate as at 30 June		-	-	-	-	-	-	-	-
<b>Net financial assets/(liabilities)</b>		<b>1,535,659</b>	<b>2,468,365</b>	<b>8,486,442</b>	<b>19,255,886</b>	<b>(283,812)</b>	<b>645,445</b>	<b>9,738,289</b>	<b>22,369,696</b>

**(b) Cash flow interest rate risk**

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

The following table set out 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 Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group 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.

	Interest Rate Sensitivity			
	2010 \$	- 10% 2009 \$	+10% 2010 \$	2009 \$
<b>Group</b>				
Change in profit	<b>(70,216)</b>	(141,505)	<b>70,216</b>	141,505
Change in equity	<b>(70,216)</b>	(141,505)	<b>70,216</b>	141,505

A 10% (2009: 10%) sensitivity would move short term interest rates at 30 June 2010 from 4.50% to 4.95% (2009: from 2.94% to 3.23%) representing a 45 basis points shift (2009: 29 basis points). 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.

**(c) Commodity price risk**

The Group is not exposed to commodity price risk.

**(d) Liquidity risk**

The Group is exposed to liquidity risk by having to maintain sufficient cash reserves to close out trade and other payable obligations 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	
	2010 \$	2009 \$
Contracted maturities of payables as at reporting date payable:		
less than 6 months	<b>646,163</b>	534,099
6 to 12 months	-	-
1 to 5 years	-	-
later than 5 years	-	-
	<b>646,163</b>	534,099

**(e) Foreign exchange risk**

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not an entity's functional currency. The Group 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 United States Dollars (USD) and Papua New Guinea Kina (PGK).

<b>CONSOLIDATED</b>		
	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Amounts of non function foreign currency in trade creditors (AUD equivalent):		
United States Dollars (USD)	<b>208,869</b>	87,754

As foreign exchange risks associated with trade creditors figures held in the subsidiaries at 30 June 2010 and 2009 relate to items which are capitalised as exploration expenditure, no foreign exchange sensitivity figures have been disclosed as there is no profit or equity exposure within the Group.

**(f) 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 Group has no financial assets where carrying amount exceeds net fair values at reporting date.

**(g) 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 interest income receivable, GST input tax credits and withholding tax refundable by the Australian Taxation Office, prepayments and rental bonds. The entity has assessed that there is minimal risk that the cash and receivables balances are impaired.

The maximum exposure to credit risk on financial assets of the Group which have been recognised on the Statement of Financial Position is generally the carrying amount.

The Group's receivables at reporting date are detailed in note 8.

**(h) Capital Risk Management**

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

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 2009 and no dividends are expected to be paid in 2010.

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

The Group is not subject to any externally imposed capital requirements.

Management review financial reports and actual expenditure against budget on a monthly basis.

## 23. LOSS PER SHARE

	2010 Cents Per Share	2009 Cents Per Share
Basic loss per share	<u>(7.83)</u>	<u>(1.23)</u>
Diluted loss per share	<u>(6.60)</u>	<u>(1.01)</u>

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

	2010 \$	2009 \$
Loss <sup>(1)</sup>	<u>(5,388,553)</u>	<u>(815,397)</u>
	No. Shares	No. Shares
Weighted average number of ordinary shares	68,852,890	66,247,011
<i>Adjustments for calculation of diluted earnings per share:</i>		
Options and performance rights	<u>12,833,833</u>	<u>14,420,534</u>
Weighted average number of ordinary shares and potential ordinary shares	<u>81,686,723</u>	<u>80,667,545</u>

(1) Loss is the same as loss from ordinary activities after tax expense in the statement of comprehensive income.

## 24. SUBSIDIARIES

	Country of Incorporation	Ownership Interest	
		2010 %	2009 %
<b>Parent Entity</b>			
Goldminex Resources Limited	Australia		
<b>Subsidiaries</b>			
Goldminex Resources (PNG) Limited	PNG	100	100
Goldminex Limited	PNG	100	100

**25. SHARE-BASED PAYMENTS**

Share-based payments have been made through options and performance rights.

**(a) Options**

	2010 No.	Weighted Average Exercise Price	2009 No.	Weighted Average Exercise Price
Balance at beginning of the financial year	12,203,000	\$0.2974	11,803,000	\$0.2818
Granted during the financial year	-	-	-	-
Exercised during the financial year <sup>(1)</sup>	(533,333)	\$0.25	-	-
Employee Incentive Option Scheme options granted during the financial year	-	-	400,000	\$0.7598
Lapsed during the financial year	(100,000)	\$0.8048	-	-
Balance at end of the financial year	<b>11,569,667</b>	<b>\$0.2952</b>	12,203,000	\$0.2974

(1) On 2 February 2010, 533,333 \$0.25cent options were exercised by a shareholder which entitled the holder to subscribe for one (1) ordinary share in Goldminex Resources Limited. Total consideration received on exercise of these options was \$133,333.

**(b) Directors' options**

Options granted to Directors or their nominees as part of remuneration are disclosed in the Remuneration Report, and as part of key management personnel disclosure in note 5.

**(c) Share-based payments – options**

No options were granted during 2009 or 2010.

**(d) Employee incentive options scheme**

The Employee Incentive Option Scheme (EIOS) was approved by shareholders at the 2008 Annual General Meeting. The EIOS is designed to provide long-term incentives for employees and consultants to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the Directors discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

The amount of options that will vest depends upon participants satisfying the terms and conditions of the EIOS. Once vested, the options remain exercisable for a period of two years. Options are granted under the plan for no consideration.

Options granted under the plan carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share.

The exercise price of options is based on the weighted average price at which the Company's shares are traded on the Australian Securities Exchange during a five (5) day period immediately prior to the grant date.

Set out below are summaries of options granted under the plan:

## EIOS summary as at 30 June 2010

Grant Date	Expiry Date	Exercise Price	Balance at start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at end of the year
			No.	No.	No.	No.	No.	No.
14 Apr 09	14 Apr 12	\$0.80480	100,000	-	-	(100,000)	-	-
4 May 09	4 May 12	\$0.77203	50,000	-	-	-	50,000	50,000
4 May 09	4 May 12	\$0.77203	50,000	-	-	-	50,000	-
11 May 09	11 May 12	\$0.72404	100,000	-	-	-	100,000	100,000
4 Jun 09	4 Jun 12	\$0.73844	100,000	-	-	-	100,000	100,000
			400,000	-	-	(100,000)	300,000	250,000
Weighted average exercise price			\$0.75983				\$0.7448	

## EIOS summary as at 30 June 2009

Grant Date	Expiry Date	Exercise Price	Balance at start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at end of the year
			No.	No.	No.	No.	No.	No.
14 Apr 09	14 Apr 12	\$0.80480	-	100,000	-	-	100,000	-
4 May 09	4 May 12	\$0.77203	-	50,000	-	-	50,000	-
4 May 09	4 May 12	\$0.77203	-	50,000	-	-	50,000	-
11 May 09	11 May 12	\$0.72404	-	100,000	-	-	100,000	-
4 Jun 09	4 Jun 12	\$0.73844	-	100,000	-	-	100,000	-
			-	400,000	-	-	400,000	-
Weighted average exercise price				\$0.75983			\$0.75983	

No EIOS options expired or were exercised during 2009 or 2010.

The fair value at grant date is independently determined using a binomial model that takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying share, expected dividend yield and risk-free interest rate for the term of the option.

The option values attained during period ended 2010 used the following inputs:

Weighted average exercise price	\$0.7448
Weighted average life of the option	1.2 years
Expected share price volatility	58.06%
Average risk free interest rate	4.05%

Historic volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

**(e) Performance Rights Plan**

	2010 No.	Weighted Average Exercise Price	2009 No.	Weighted Average Exercise Price
Balance at beginning of the financial year	2,560,000	-	2,100,000	-
Performance rights which satisfied share price performance hurdles during the financial year	-	-	460,000	-
Exercised during the financial year	(2,400,000)	-	-	-
Lapsed during the financial year	-	-	-	-
Balance at end of the financial year	160,000	-	2,560,000	-

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

This Performance Rights Plan was approved at a General Meeting of shareholders on 31 August, 2007. Performance rights granted under the plan:

	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	-	-	-	-	-	-	

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 share price hurdle for Tranche 6 was met by 30 June 2009 (Tranches 1 – 5 were met by 30 June 2008).

A share-based payment expense of \$98,097 applicable to the current financial year (2009: \$ 531,881) has been recognised within the statement of comprehensive income.

The performance rights values attained during period ended 2010 used the following inputs:

Weighted average exercise price	\$0.5709
Weighted average life of the performance right	1.2 years
Expected share price volatility	59.03%
Average risk free interest rate	6.52%

Historic volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

	<b>CONSOLIDATED</b>	
	<b>2010</b>	2009
	\$	\$
<b>(f) Expenses arising from share-based payment transactions</b>		
Employee incentive option scheme	<b>72,708</b>	15,708
Performance rights	<b>98,097</b>	531,881
	<b>170,805</b>	547,589

## 26. EVENTS SUBSEQUENT TO BALANCE DATE

Other than the matters discussed below, there has not arisen in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect the operations of the Group, the results of these operations or the state of affairs of the Group in subsequent years.

### *Application for renewal of prospecting licences*

The Company has applied to the MRA in Papua New Guinea for renewal of exploration leases that have become due subsequent to 30 June 2010.

## 27. CONTINGENT LIABILITIES

The Group had contingent liabilities at 30 June 2010 in respect of:

### *Indemnities*

Indemnities have been provided to Directors and certain executive officers of the Group in respect of potential liabilities to third parties arising from their positions. No monetary limit applies to these agreements and there are no known liabilities outstanding as at 30 June 2010.

### *Legal matters*

To date, the Company has not received notice of any legal proceeding for any alleged breaches of contract relating to the restructure of operations and termination of personnel during the period ended 30 June 2010. The Company has taken legal advice and it would defend any such action should this arise as any claim would be considered remote and without basis.

Subsequently, no provision has been included within the accounts for estimated legal and associated costs.

**28. PARENT ENTITY FINANCIAL INFORMATION****(a) Summary of financial information**

	<b>PARENT</b>	
	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<i>Statement of financial position</i>		
Current assets	<b>10,373,807</b>	23,111,747
<b>Total assets</b>	<b>10,410,023</b>	36,700,348
Current liabilities	<b>358,145</b>	490,390
<b>Total liabilities</b>	<b>366,159</b>	531,159
<b>Net assets</b>	<b>10,043,864</b>	36,169,189
<i>Shareholders' equity</i>		
Issued Capital	<b>41,001,087</b>	39,464,444
<i>Reserves</i>		
Options reserve	<b>1,444,335</b>	1,404,705
Foreign currency translation reserve	-	6,628
Performance rights	<b>91,349</b>	1,363,484
Retained Earnings	<b>(32,492,907)</b>	(6,070,072)
<b>Total equity</b>	<b>10,043,864</b>	36,169,189
Loss for the year	<b>26,422,835</b>	726,686
Total comprehensive (income)/expense	<b>26,422,835</b>	726,686

**(b) Guarantees entered into by the parent entity**

The parent entity has not provided financial guarantees to external parties.

**(c) Contingent liabilities**

The parent entity did not have any contingent liabilities as at 30 June 2010 or 30 June 2009.

**(d) Contractual commitments for the acquisition of property, plant or equipment**

As at 30 June 2010, the parent entity did not have any contractual commitments for the acquisition of property, plant or equipment.

**(e) Receivables from subsidiaries**

Receivables from entities within the wholly owned group arise from Goldminex Resources Limited funding the exploration expenditure for its subsidiaries. The non-interest bearing intercompany loan receivable is repayable when the subsidiary is in a financial position to repay. Due to the nature of the receivable balances, no collateral or security is held.

During the year, the Parent has taken up a provision against intercompany receivables for \$23,997,027 to provide for the inherent risk of these loans.

## DIRECTORS' DECLARATION

The Directors of Goldminex Resources Limited declare that, in their opinion:

- a) the financial statements and notes, set out on pages 20 to 53 are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Company's and consolidated Group's financial position as at 30 June 2010 and of their performance for the financial year ended on that date; and
  - ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- c) the financial report also complies with International Financial Reporting Standards as disclosed in note 1;

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

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

On behalf of the Directors



**John Downie**  
**Chairman**

MELBOURNE, 23 September 2010

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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 statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes to the financial report 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 are 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. The directors also state, in the notes to the financial report, 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 which require us to 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 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 opinion.

#### **Electronic presentation of audited financial report**

This auditor's report relates to the financial report of Goldminex Resources Limited and controlled entities for the year ended 30 June 2010 included on Goldminex Resources Limited's web site. The Company's directors are responsible for the integrity of Goldminex Resources Limited's website. We have not been engaged to report on the integrity of Goldminex Resources Limited's website. 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 website.

#### **Independence**

In conducting our audit, we have complied with the 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 2010 and of its 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 the notes to the financial statements..

**Report on the remuneration report**

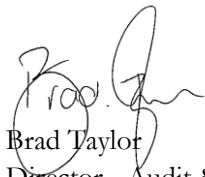
We have audited the Remuneration Report included in pages 8 to 12 of the directors' report for the year ended 30 June 2010. The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's opinion on the remuneration report**

In our opinion, the Remuneration Report of Goldminex Resources Limited for the year ended 30 June 2010, complies with section 300A of the Corporations Act 2001.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Brad Taylor  
Director - Audit & Assurance Services

Melbourne, 23 September 2010

## ADDITIONAL SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 7 September 2010.

### 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	40	23,346	0.03
1,001 – 5,000	130	417,142	0.60
5,001 – 10,000	109	890,750	1.27
10,001 – 100,000	207	6,684,449	9.56
100,001 and over	48	61,941,369	88.54
	<b>534</b>	<b>69,957,056</b>	<b>100.00</b>

(b) There are 74 shareholders with less than a marketable parcel of ordinary shares.

### 2. Largest Shareholders

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

	SHAREHOLDERS	HOLDING	%
1.	Talbot Group Investments Pty Ltd	12,456,816	17.81
2.	Mango Bay Enterprises Inc	9,818,167	14.03
3.	Tinpage Pty Ltd	8,975,554	12.83
4.	National Nominees	5,568,585	7.96
5.	HSBC Custody Nominees (Australia) Limited	5,099,917	7.29
6.	Citicorp Nominees Pty Limited	2,084,251	2.98
7.	VBS Investments Pty Ltd	2,454,443	2.63
8.	CMG Capital Pty Ltd	1,707,655	2.44
9.	Mr Peter Tambanis	1,496,889	2.14
10.	Chris Wallin Superfund	1,378,189	1.97
11.	The Wood Investment A/C	1,138,900	1.63
12.	Equity Trustees Limited <SGH PI Smaller Co's Fund>	1,080,400	1.54
13.	Mr Wandu Yamuna	833,335	1.19
14.	UBS Nominees Pty Ltd	725,000	1.04
15.	Mr Basil Tambanis	700,000	1.00
16.	Mr Steven Tambanis	700,000	1.00
17.	ANZ Nominees Limited	526,520	0.75
18.	Equity Trustees Limited <SGH Micro Cap Fund A/C>	500,000	0.71
19.	Coal Industry Services Pty Ltd	450,325	0.64
20.	Mr Mark Paul Tassone	303,000	0.43

## ADDITIONAL SHAREHOLDER INFORMATION (CONT'D)

### 3. Option Holders

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

<b>OPTION HOLDER</b>	<b>HOLDING</b>	<b>%</b>
Tinpage Pty Ltd	4,900,000	42.35
Mango Bay Enterprises Inc	4,636,333	40.07
CMG Capital Pty Ltd	1,500,000	12.96
Yamuna, Wandi	233,334	2.02
Thaw, Paul	100,000	0.86
Moyle, Sandy	100,000	0.86
Venables, James	100,000	0.86
	<b>11,569,667</b>	<b>100.00</b>