



**2009
Annual
Report**

	Page
Corporate Directory	1
Chairman's Report	2
Review of Operations	3
Report of the Directors	11
Corporate Governance Statement	20
Auditor's Independence Declaration	26
Statements of Comprehensive Income	27
Balance Sheets	28
Statements of Cash Flows	29
Statements of Changes in Equity	30
Notes to the Financial Statements	31
Directors' Declaration	49
Independent Audit Report	50
Additional ASX Information	52
Tenement Schedule	55

Directors

Geoffrey Allan Donohue
Peter Thomas McIntyre
Peter Reynold Ironside

Company Secretary

Peter Reynold Ironside

Registered Office

168 Stirling Highway
NEDLANDS WA 6009
Telephone: (08) 9423 5925
Facsimile: (08) 9389 1750

Solicitors

Steinepreis Paganin
Level 4, Next Building
16 Milligan Street
PERTH WA 6000

Share Registry

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000

Auditor

BDO Kendalls Audit & Assurance (WA) Pty Ltd
Chartered Accountants
128 Hay Street
SUBIACO WA 6008

Bankers

ANZ Bank
32 St Quentins Avenue
CLAREMONT WA 6010

Dear Shareholder,

The Global Financial Crisis had a considerable impact on the decisions that were made by Atticus Resources Limited (Atticus) during the year. The directors focussed on cash preservation and the Company only advanced project interests during the year where warranted. This strategy has placed Atticus in a sound position to pursue its objectives throughout the 2010 financial year.

A brief summary of this year's exploration activity is:

- MiniRAB soil geochemical sampling completed at the Yundamindera Project. The previously identified gold-in-vacuum soil anomalies have been extended and several remain open along strike .
- Further targets identified within the northern parts of the Yundamindera Project.
- RAB drilling at two prospects within the Hartwell Bore Project prepared for assessment.
- The Harris Find Project was surrendered.

Atticus reported:

- A loss for the year of \$211,734 (2008: \$16,000):
- Net assets as at 30 June 2009 of \$3,011,533 (2008: \$3,223,267) and
- Working capital (being current assets less current liabilities) at 30 June 2009 of \$2,793,476 (2008: \$2,975,485).

In addition to advancing its existing exploration projects during the year, the Company has continued with its stated intention to seek opportunities for further acquisitions that meet its objectives. Atticus remains committed to completing an acquisition that could become the major undertaking of the Company. A number of opportunities were evaluated during the year. Should negotiations on an acquisition prove successful, we look forward to seeking shareholder approval to complete such a transaction.

On behalf of the directors, I thank you for your continuing support for the Company.

Yours Sincerely



Geoff Donohue
Chairman

Highlights

Exploration

- MiniRAB soil geochemical sampling completed at the Yundamindera Project. The previously identified gold-in-vacuum soil anomalies have been extended and several remain open along strike and require further definition.
- Further targets identified within the northern parts of the Yundamindera Project and will be screened with auger soil sampling in the early part of the new reporting year.
- Previous detailed RAB drilling at two prospects within the Hartwell Bore Project to be assessed.
- The Harris Find Project surrendered.
- The Company continues to assess other projects and opportunities.

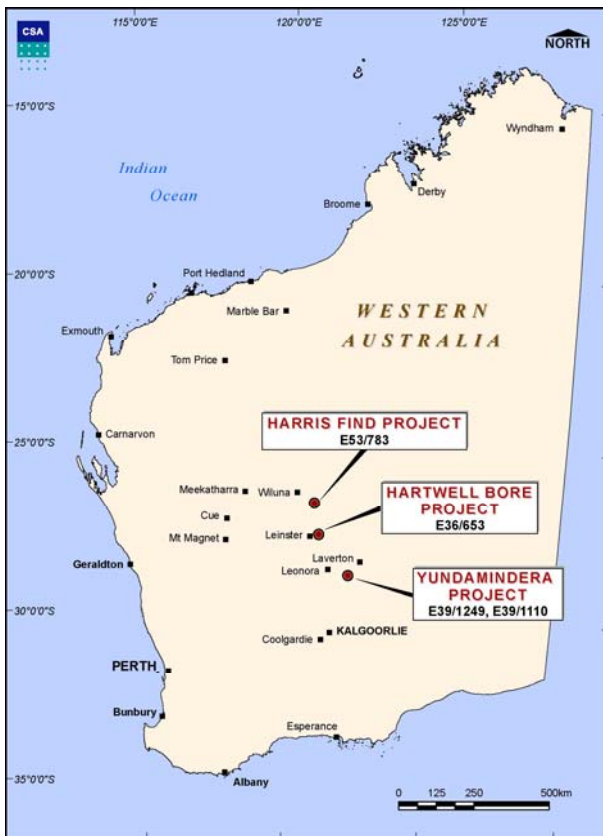


Figure 1 - Project Locations

Details of Completed Exploration

Yundamindera Project

(Atticus earning 80%)

The Yundamindera gold project is located in the Eastern Goldfields Province of the Yilgarn Craton, 685 kilometres northeast of Perth and 205 kilometres north-northeast of Kalgoorlie. The project comprises two granted exploration licences and two prospecting licence applications, which are located adjacent to the historic mining centre of Yundamindera (Figure 2). Gold exploration carried out by a number of previous operators and Atticus

has identified several areas of coherent gold anomalism (>50ppb Au & >100ppb Au) in near-surface soil sampling and RAB/aircore drilling that require follow-up work.

The following work was completed during the reporting period.

- MiniRAB soil geochemical sampling to infill and extend previously identified vacuum soil anomalies.
- Heritage clearance completed for E39/1249.
- Areas of low prospectivity surrendered or withdrawn.

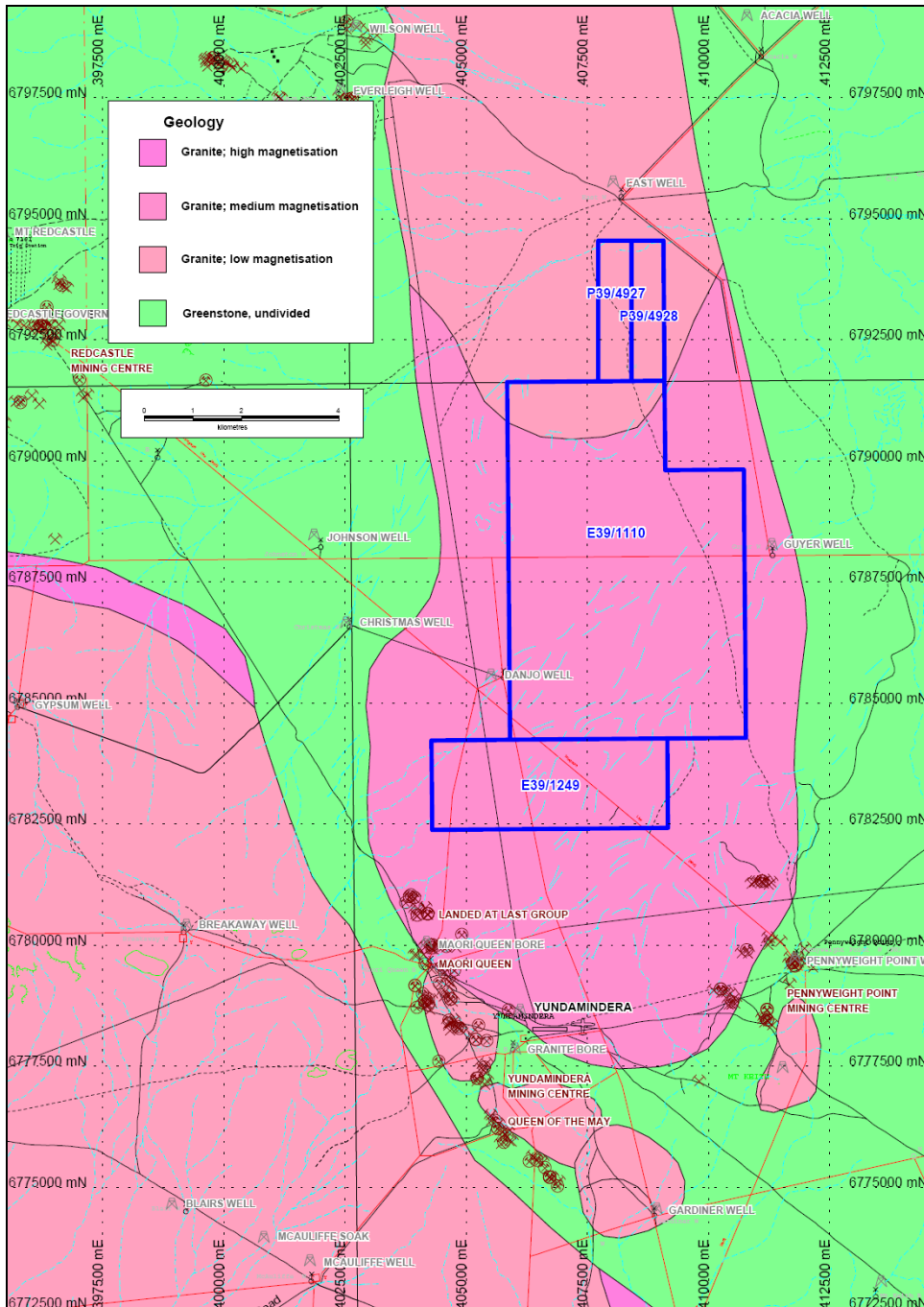


Figure 2 - Yundamindera Project Location

miniRAB Soil Geochemical Sampling

During the reporting period, a miniRAB soil geochemical program was completed to provide further definition of the existing vacuum soil anomalies in the central and eastern parts of the project area (see Figure 3). Sampling was generally conducted on a 200x100m spaced grid using a Land Cruiser-mounted miniRAB drill rig and, where present, the pedogenic carbonate horizon was the preferred sample medium. This regolith unit was widespread across the sampled area but its depth varied from 3-4m to 8-9m below surface, which required close supervision of the sampling program. Where the pedogenic carbonate horizon was not present, a base-of-hardpan sample or an interface sample between clearly transported and in-situ regolith was collected. This is a similar sampling methodology used by the previous vacuum soil sampling, which generated the original gold-in-soil anomalies.

A total of 211 miniRAB soil samples were collected during the program and were submitted for the following analyses:

Au - aqua regia digest/low level AAS determination (1ppb Au detection limit)

As (10ppm), Ag (0.1ppm), Bi (2ppm), Pb (1ppm), Zn (1ppm), Te (2ppm) & Mo (2ppm) - aqua regia digest/standard AAS determinations (detection limits in brackets)

Results indicate that the previous vacuum soil anomalies form coherent gold anomalies at the >20ppb Au and >30ppb Au contour level. At least three of these anomalies and/or trends remain open along strike and will require further sampling to determine their extent and tenor. The sampling has also identified several well defined trends that have not been extensively covered by the past and recent sampling. Further definition of these trends is also required to identify, where present, further anomalism and targets for deeper drill testing. There were no significant results from the multi-element analyses.

Four main gold-in-vacuum/gold-in-miniRAB soil anomalies have been identified to date and are shown in Figure 3. These are:

- The MUR1 anomaly is at this stage the northern-most anomaly and does not appear to be on a particular trend, although further regional sampling may indicate otherwise. This anomaly is well defined at the >20ppb Au and >30ppb Au level, with a peak value to date of 51.4ppb Au. The anomaly is open to the south and further sampling is a priority in this area to define the extent of the anomalism. Only one line of widely spaced (100-400m) RAB/aircore holes has previously tested this anomaly and has generated results up to 2m @ 0.52ppm Au (MUR1).
- The Mulga West and Mulga East anomalies are two sub-parallel anomalies located to the southeast of the MUR1 anomaly and appear to be located on well defined northeast – southwest anomalous trends, which are possibly structurally controlled. Both anomalies are defined by >20ppb Au and >30ppb Au values and both have peak values above 50ppb Au. The Mulga East anomaly is approximately 1.5km long and is partly open to the southwest. The Mulga West anomaly is approximately 1.1km long and is probably closed off but both anomalous trends require better definition, particularly to the southwest. The Mulga West and Mulga East anomalies have been previously tested by only two very widely spaced (800m) RAB/aircore lines, which generated several anomalous drill intercepts above 100ppb Au. This drilling was completed prior to knowing the extent and orientation of the anomalies and the drilling appears to have tested the northern and southern extremities of the anomalies rather than the central portions.
- The Fenceline anomaly is located approximately 3.5km to the southwest of the Mulga West anomaly and may be on the same trend. At this stage this anomaly is relatively small but is open to the northeast and further sampling is required in this area. There is no previous drilling in the area.

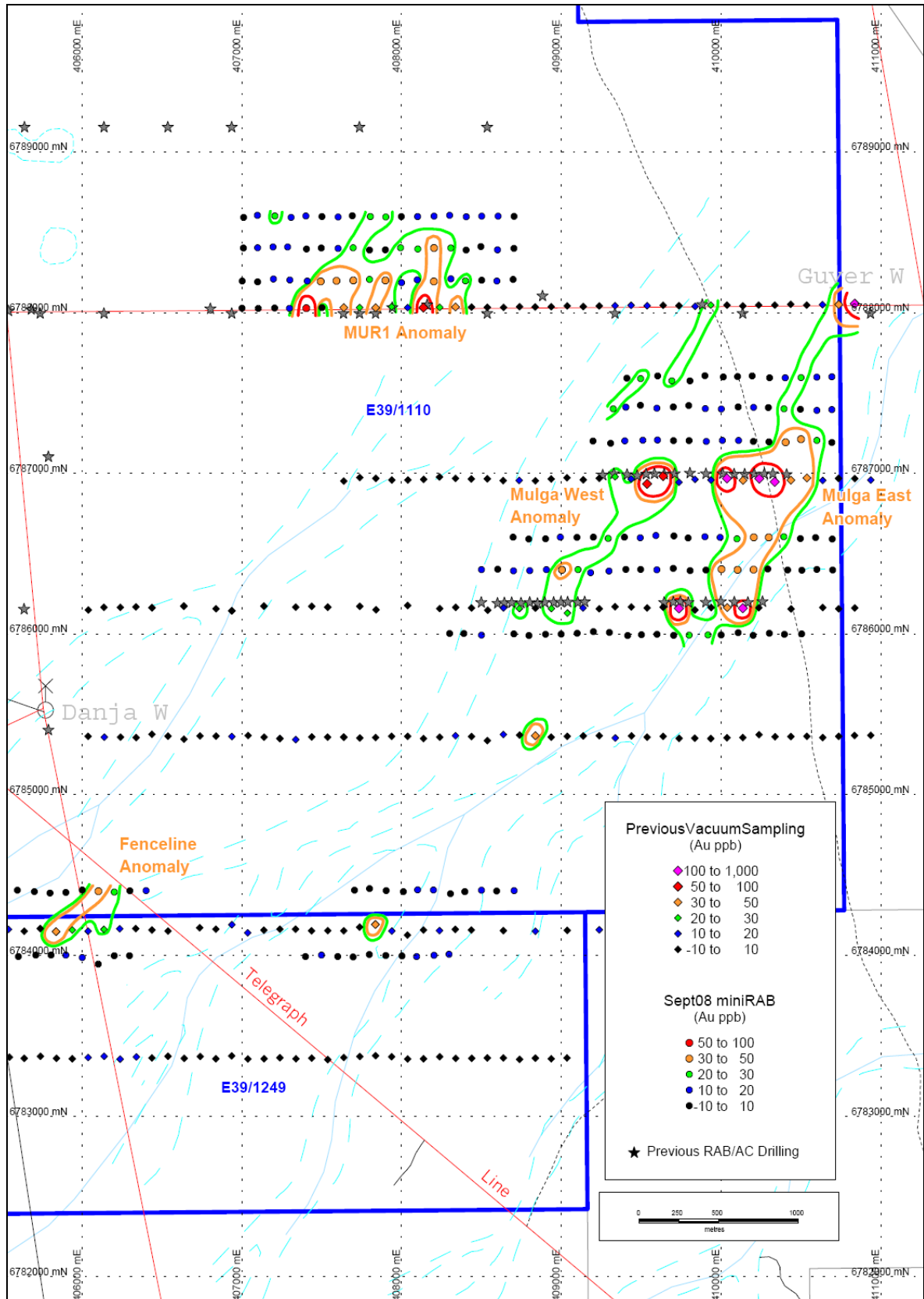


Figure 3 - Yundamindera miniRAB Sampling showing previous Vacuum Sampling & RAB/Aircore Drilling

Tenure

During the year, areas considered to have lower prospectivity for gold mineralisation were relinquished as part of a statutory 50% surrender of E39/1110. Following further reviews, several of the prospecting licence applications were also considered to have lower prospectivity for gold and were withdrawn.

Proposed Work

Previous exploration, including broad spaced RAB drilling, conducted in the northern parts of E39/1110, has identified at least two gold-in-regolith anomalies (>100ppb Au in RAB) that require further work. These areas have near-surface regolith amenable to auger soil sampling and consequently detailed, 200x50m spaced sampling will be planned in due course. It is envisaged that auger soil sampling will provide quick and cost effective screening of this prospective area, which is located entirely within the Danjo Granodiorite.

Harris Find Project

(Atticus 100%)

The Harris Find gold project is located in the northern parts of the Eastern Goldfields Province of the Yilgarn Craton, 750 kilometres northeast of Perth and 65 kilometres east-southeast of Wiluna. The project comprises one granted exploration licence and two granted prospecting licences.

During the year, Atticus Resources completed the following work.

- Regolith landform interpretation.
- Further prospectivity reviews.
- Surrender of all project tenements.

Regolith Landform Interpretation

A regolith landform interpretation map was completed to assist with assessing the general prospectivity of the project area.

Tenure

Following further assessments of this project, all tenure was relinquished during the early part of 2009. This has enabled Atticus to focus remaining exploration funds on higher priority projects and to retain funds for potentially new and better projects and opportunities.

Hartwell Bore Project

(Atticus 100%)

The Hartwell Bore gold project is located in the northern parts of the Eastern Goldfields Province of the Yilgarn Craton, 660 kilometres northeast of Perth and 32 kilometres east-northeast of Leinster. The single tenement, E36/653, covers an Archaean greenstone sequence at the western margin of the southern Yandal greenstone belt (Figure 4), however, most of the area is covered by more recent transported sediments and other regolith.

E36/653 was granted during October 2008 and work to date has focused on a prospectivity review to assess the previous exploration and to identify targets.

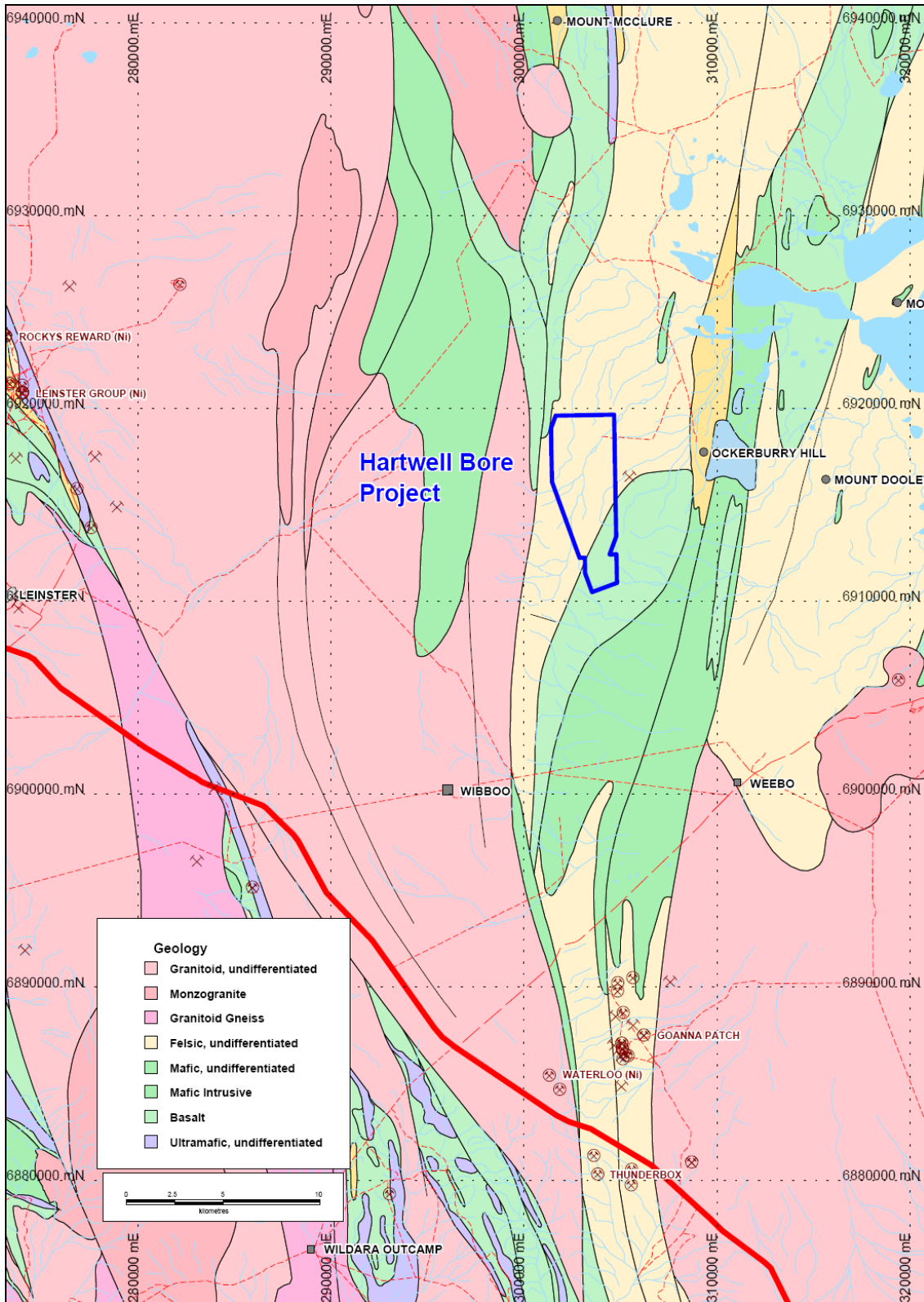


Figure 4 – Hartwell Bore Project Location

Project Review

A detailed prospectivity review has been completed and shows that two main gold prospects have been identified by the previous exploration, both of which have been extensively tested with RAB drilling and to a lesser degree with RC drilling (see Figure 5). While significant (>100ppb Au) gold-in-regolith anomalism exists at both prospects, the completed RC drilling has been inconclusive in identifying primary sources with only a few fresh rock intercepts returned from the southern prospect and none from the northern prospect. The gold-in-regolith anomalism is extensive over several hundreds of metres at both prospects, such that hypogene (fresh rock) sources might be expected. The lack of extensive and systematic RC testing, particularly at the southern prospect, where there are multiple regolith anomalies along two obvious trends (Figure 5), suggests that further RC drilling may be warranted. Further assessments have been recommended to identify the best targets.

Proposed Work

Further RC drilling may be warranted at the two main prospects and more detailed assessments of the previous drilling are required to identify possible targets. These assessments will be completed early in the 2009-2010 reporting period.

The information in this report that relates to Exploration Results is based on information compiled by Greg Jorgensen, an independent, Kalgoorlie-based Consulting Exploration Geologist, who is a Member of The Australian Institute of Geoscientists. Mr Jorgensen has sufficient experience, which is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of The JORC Code. Mr Jorgensen consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Further Disclosure

Mr Jorgensen is a Director of BrilliantGold Pty Ltd, an unlisted, Kalgoorlie-based mineral exploration company, which currently holds 100% of the Yundamindera Project. Atticus Resources Ltd is currently earning an 80% interest in this project.

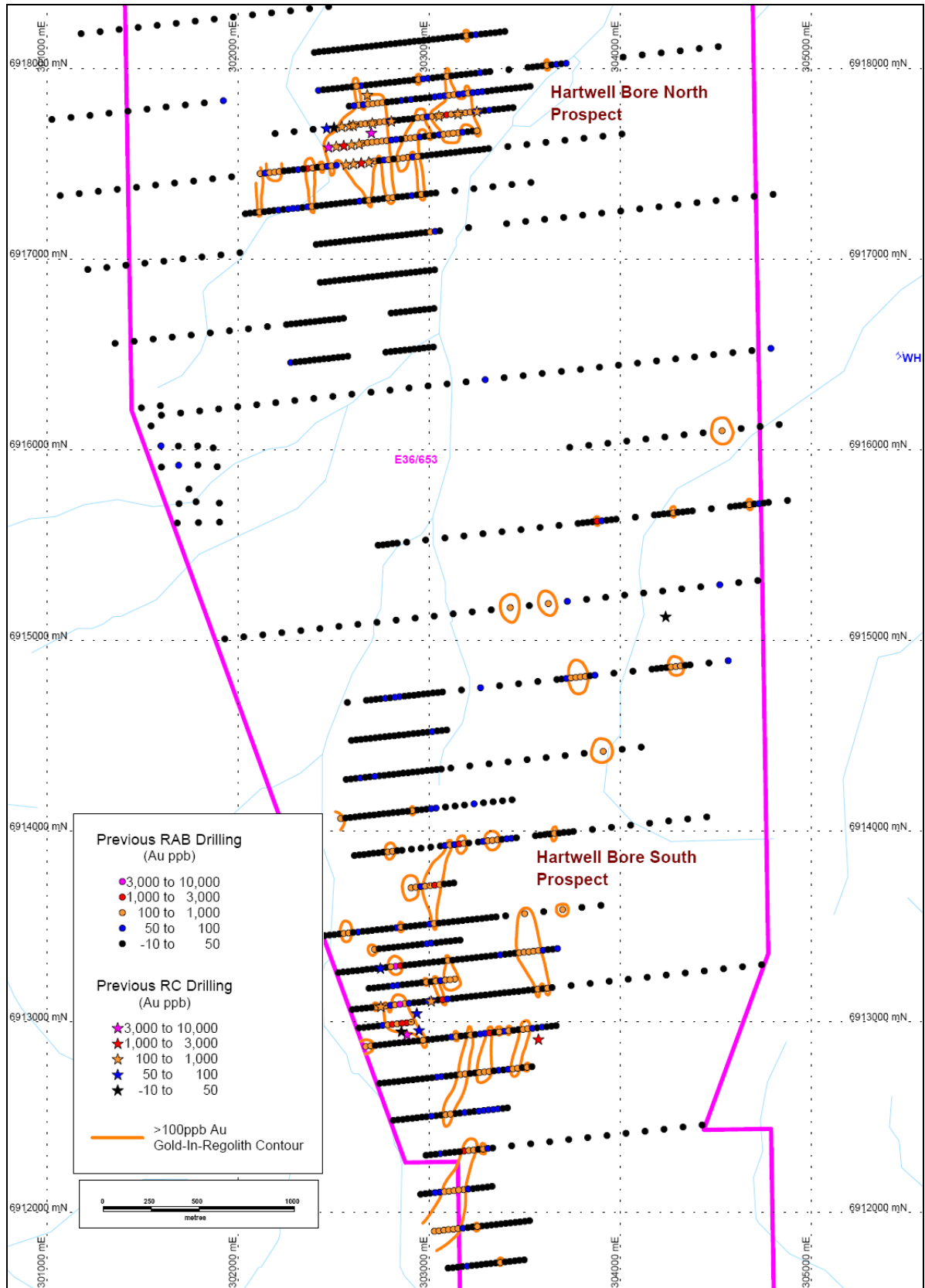


Figure 5 – Hartwell Bore Previous RAB and RC Drilling

Your Director's submit their report for the year ended 30 June 2009.

DIRECTORS

The Directors in office at the date of this report and at any time during the year are as follows. Directors were in office for the entire period unless otherwise stated.

Geoffrey Allan Donohue
Peter Thomas McIntyre
Peter Reynold Ironside

INFORMATION ON DIRECTORS

Geoffrey Donohue (B.Com, CPA) Chairman and Non-executive Director

Mr Geoff Donohue (50) has over 26 years experience at both board and senior management level within public companies and the securities industry.

His prior experience includes eight years as a director of a Perth based investment banking organisation where he was involved in management and corporate finance.

Mr Donohue holds a Bachelor of Commerce from James Cook University of North Queensland, Graduate Diploma in Financial Analysis from the Securities Institute of Australia and is a Certified Practicing Accountant.

Other Current Directorships of Listed Companies

Essa Australia Limited.

Former Directorships of Listed Companies in last three years: None.

Peter McIntyre (BSc, MBA, FIEAust) Non-executive Director

Mr Peter McIntyre (52) has been involved in the mining industry for nearly 26 years, which included 15 years with WMC Ltd in various senior management positions. He has been involved with the development of major projects including St Ives Gold and Mt Keith Nickel, as well as Central Norseman Gold Operations. He has consulted to a number of resource companies and finance groups, advising on corporate structures, capital raisings, acquisitions and strategic alliances, as well as on other strategic, business and operational issues. He is currently Managing Director of Extract Resources Limited and a director of Carbon Energy Limited (both listed on ASX).

Mr McIntyre is a chartered Civil Engineer and a Fellow of the Institution of Engineers, Australia. He also completed an MBA program at the Massachusetts Institute of Technology in Boston.

Other Current Directorships of Listed Companies

Extract Resources Limited
Carbon Energy Limited

Former Directorships of Listed Companies in last three years: None.

INFORMATION ON DIRECTORS - continued

Peter Ironside (B.Com, CA)

Non-executive Director and Company Secretary

Mr Peter Ironside (54) is a chartered accountant and business consultant with over 18 years experience in the exploration and mining industry. He has been a director and/or company secretary of several ASX listed companies. Mr Ironside is a director of Ironside Pty Ltd, a corporate services company. Mr Ironside brings a significant level of accounting, compliance and corporate governance experience to the Board, together with support in the areas of corporate initiatives and capital raisings.

Other Current Directorships of Listed Companies

Integra Mining Limited.

Former Directorships of Listed Companies in last three years: None.

MEETINGS OF THE COMPANY'S DIRECTORS

The number of meetings of the Company's Directors held during the year ended 30 June 2009, and the number of meetings attended by each Director was:

	Board of Directors	
	Attended	Maximum Possible
Geoffrey Donohue	1	1
Peter McIntyre	1	1
Peter Ironside	1	1

DIRECTORS' SHAREHOLDING INTERESTS

The interest of each Director in the share capital of the Company at the date of this report is as follows:

	Fully Paid Ordinary Shares		Options		Details of Options
	Direct Interest	Indirect Interest	Direct Interest	Indirect Interest	
Geoffrey Donohue	1,650,000	3,000,000	1,650,000	2,875,000	3,912,500 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 612,500 listed options exercisable at 20c on or before 30 September 2012.
Peter McIntyre	-	2,500,000	-	2,500,000	2,290,000 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 210,000 listed options exercisable at 20c on or before 30 September 2012.
Peter Ironside	-	3,200,000	-	3,075,000	2,480,000 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 595,000 listed options exercisable at 20c on or before 30 September 2012.

EARNINGS PER SHARE

Basic Earnings Per Share was a loss of 0.71 cents (2008: loss of 0.06 cents).

DIVIDENDS

No dividend has been paid or declared by the Company up to the date of this report. The Directors do not recommend that any amount be paid by way of dividend.

CORPORATE INFORMATION

Corporate Structure

Atticus Resources Limited is a company limited by shares that is incorporated and domiciled in Australia. Atticus Resources Limited has prepared a consolidated financial report incorporating the entities that it controlled during the year under review as follows:

Atticus Resources Limited - parent entity
APG Resources Pty Ltd - 100% owned subsidiary

Nature of Operations and Principal Activities

The principal activities of the Group during the financial year were exploration of gold. There was no significant change in these activities during the year.

Review of Operations

Refer to the Review of Operations preceding this Report of the Directors.

Financial Position

The Group reported a loss for the year of \$211,734 (2008: \$16,000).

The net assets of the group were \$3,011,533 in 2009 (2008: \$3,223,267). The major transactions were:

- Capitalisation of exploration expenditure; and
- Other operating costs.

The group's working capital, being current assets less current liabilities was \$2,793,476 in 2009 (2008: \$2,975,485).

During the year, the Company has invested in gold resource assets to increase its asset base. The Directors believe the Company is in a strong and stable position to expand and grow its current operations.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the year.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

It is not anticipated the future operations and results of the Company will differ from the current year.

MATTERS SUBSEQUENT TO THE END OF THE YEAR

There are no other matters or circumstances that have arisen since 30 June 2009 that have or may significantly affect the operations, results, or state of affairs of the group in future financial years.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director and executive of Atticus Resources Limited. The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

For the purposes of this report key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes five executives in the parent group receiving the highest remuneration.

For the purposes of this report the term “executive” includes those key management personnel who are not directors of the parent company.

Remuneration Committee

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered appropriate. The Board has adopted the following policies for Directors’ and executives’ remuneration.

A. Remuneration policy

The Board of Directors maintains remuneration policies which are aimed at attracting and retaining a motivated workforce and management team. The intention is to match the outcomes from the remuneration system with the performance of the Company and ultimately the value received by our shareholders on a long-term basis.

As an overall policy, the Company will remunerate in such a way that it:

- motivates Directors and management to pursue the long-term growth and success of the Company; and
- demonstrates a clear relationship between key executive performance and remuneration.

REMUNERATION REPORT (AUDITED) - continued

B. Remuneration structure

In accordance with best practice corporate governance, the structure of Non-executive Director and executive compensation is separate and distinct.

Non-executive Directors' Remuneration

Non-executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Any newly appointed Non-executive Directors will serve in accordance with a standard service contract, drafted by the Company's lawyers, which sets out remuneration arrangements. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination. Non-executive Directors may be offered options as part of their remuneration, subject to shareholder approval.

Executive Remuneration

Senior executives, including Executive Directors, are engaged under the terms of individual employment contracts. Such contracts are based upon standard terms drafted by the Company's lawyers. Executive Directors do not receive any directors' fees in addition to their remuneration arrangements. Executive Directors may be offered options as part of their remuneration, subject to shareholder approval. The monetary package is divided between a base salary/consulting fee and, for non-directors, an incentive portion if considered appropriate. Base salary/consulting fees are set to reflect the market salary for a position and individual of comparable responsibility and experience. Base salary/consulting fees are regularly compared with the external market and during recruitment activities generally. It is the policy of the Company to maintain a competitive salary structure to ensure continued availability of experienced and effective management and staff.

There is no link between the remuneration policy and the Company's performance.

Details of the nature and amount of each element of each Director, including any related company and each of the officers of the Company receiving the highest emoluments are set out in section D of this report.

C. Service Agreements

Non-executive Director Employment Contracts

Geoffrey Donohue

The Chairman, Mr Geoffrey Donohue, is employed under contract. The current employment contract commenced on 14 November 2007. Mr Donohue receives \$24,000 per annum in Directors' fees plus 9% superannuation under the employment contract.

Mr Donohue's appointment will automatically cease in the event that he gives notice to the Board of his resignation as a Director, or he resigns by rotation and is not re-elected as a Director by the shareholders of the Company.

REMUNERATION REPORT (AUDITED) - continued

The Company may terminate his contract if, for any reason, Mr Donohue becomes disqualified or prohibited by law from being or acting as a Director or from being involved in the management of a company.

On termination of his appointment, Mr Donohue's Director's fees will be paid on a pro-rata basis, to the extent that they are unpaid, up to the date of termination. Early termination will not give rise to any right to compensation.

Peter McIntyre

Mr Peter McIntyre, Non-executive Director, is employed under contract. The current employment contract commenced on 14 November 2007. Mr McIntyre receives \$24,000 per annum in Directors' fees plus 9% superannuation under the employment contract.

Mr McIntyre's appointment will automatically cease in the event that he gives notice to the Board of his resignation as a Director, or he resigns by rotation and is not re-elected as a Director by the shareholders of the Company.

The Company may terminate his contract if, for any reason, Mr McIntyre becomes disqualified or prohibited by law from being or acting as a Director or from being involved in the management of a company.

On termination of his appointment, Mr McIntyre's Director's fees will be paid on a pro-rata basis, to the extent that they are unpaid, up to the date of termination. Early termination will not give rise to any right to compensation.

Peter Ironside

Mr Peter Ironside, Non-executive Director, is employed under contract. The current employment contract commenced on 14 November 2007. Mr Ironside receives \$24,000 per annum in Directors' fees plus 9% superannuation under the employment contract.

Mr Ironside's appointment will automatically cease in the event that he gives notice to the Board of his resignation as a Director, or he resigns by rotation and is not re-elected as a Director by the shareholders of the Company.

The Company may terminate his contract if, for any reason, Mr Ironside becomes disqualified or prohibited by law from being or acting as a Director or from being involved in the management of a company.

On termination of his appointment, Mr Ironside's Director's fees will be paid on a pro-rata basis, to the extent that they are unpaid, up to the date of termination. Early termination will not give rise to any right to compensation.

D. Details of remuneration

Directors

The following persons were Directors of Atticus Resources Limited during the year ended 30 June 2009:

Geoff Donohue	–	Chairman
Peter McIntyre	–	Non-executive Director
Peter Ironside	–	Non-executive Director

REMUNERATION REPORT (AUDITED) – continued

Other Key Management Personnel

During the year ended 30 June 2009 there were no employees that fulfilled the role of a key management person (2008: nil).

Details of the remuneration of each Director and named executive officer of the company, including their personally-related entities, during the year was as follows:

2009	Short-term benefits		Post-employment		Share-based payment	Total
	Directors Fees	Salary / Consulting Fees	Super-annuation	Insurance	Options	
Name	\$	\$	\$	\$	\$	\$
Directors						
Geoffrey Donohue	24,000	-	1,620	-	-	25,620
Peter McIntyre	24,000	-	1,620	-	-	25,620
Peter Ironside	24,000	36,000	1,620	-	-	61,620
	<u>72,000</u>	<u>36,000</u>	<u>4,860</u>	-	-	<u>112,860</u>
2008	Directors Fees	Salary / Consulting Fees	Super-annuation	Insurance	Share-based payment Options	Total
Name	\$	\$	\$	\$	\$	\$
Directors						
Geoffrey Donohue	16,000	-	1,440	-	-	17,440
Peter McIntyre	16,000	-	1,440	-	-	17,440
Peter Ironside	16,000	24,000	1,440	-	-	41,440
	<u>48,000</u>	<u>24,000</u>	<u>4,320</u>	-	-	<u>76,320</u>

In 2008, \$50,000 was paid to Ausvaal Pty Ltd, of which Mr Ironside and Mr Donohue are directors, for the provision of administration and management services prior to the Company listing on ASX. No payments were made to Ausvaal Pty Ltd in 2009.

There were no performance related payments made during the year.

E. Compensation Options to Key Management Personnel

There were no options granted as remuneration during 2009 or 2008.

This is the end of the audited remuneration report.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company's environmental obligations are regulated under both State and Federal law. All environmental performance obligations are monitored by the Board and subjected from time to time to Government agency audits and site inspections. The Company has a policy of at least complying with, but in most cases exceeding, its statutory environmental performance obligations. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2009.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the first measurement period 1 July 2008 to 30 June 2009 the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

SHARES UNDER OPTION

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

	Number	Exercise Price	Expiry Date
Listed Options	20,437,600	20¢	30 September 2012
Unlisted Options (escrowed to 31 October 2009)	8,962,400	20¢	30 September 2012

INDEMNIFICATION AND INSURANCE OF OFFICERS

There is no insurance in place at the present time.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

AUDITOR INDEPENDENCE

The auditors' independence declaration as required by Section 307C of the Corporations Act 2001 for the year ended 30 June 2009 has been received and can be found after the Corporate Governance Statement.

AUDITOR

BDO Kendalls Audit & Assurance (WA) Pty Ltd continues in office in accordance with Section 327 of the Corporations Act 2001.

NON-AUDIT SERVICES

The following non-audit services were provided by associated entities of BDO Kendalls Audit & Assurance (WA) Pty Ltd. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Associated entities of BDO Kendalls Audit & Assurance (WA) Pty Ltd received or are due to receive the following amounts for the provision of non-audit services:

Tax Compliance Services \$8,524.25 - BDO Kendalls Corporate Tax (WA) Pty Ltd

Refer to note 14 in the financial statements for details of fees paid / payable to the auditor of the parent entity and its associated entities.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Atticus Resources Limited support and adhere to the principles of corporate governance. The Company's Corporate Governance Statement is contained in the following section of this report.

Signed in accordance with a resolution of the Directors.



Geoffrey Donohue
Chairman
Perth, Western Australia
24 September 2009

This statement outlines the main corporate governance practices that have been formally adopted by the Directors. These corporate governance practices comply with the ASX Corporate Governance Council recommendations unless otherwise stated.

Board of Directors

The Board operates in accordance with the broad principles set out in its charter.

Role and Responsibilities of the Board

The Board is responsible for ensuring that the Company is managed in a manner which protects and enhances the interests of its shareholders and takes into account the interests of all stakeholders. This includes setting the strategic directions for the Company, establishing goals for management and monitoring the achievement of these goals.

A summary of the key responsibilities of the Board include:

1. **Strategy** - Providing strategic guidance to the Group, including contributing to the development of and approving the corporate strategy;
2. **Financial performance** - Approving budgets, monitoring management and financial performance;
3. **Financial reporting and audits** - Monitoring financial performance including approval of the annual and half-year financial reports and liaison with the external auditors;
4. **Leadership selection and performance** - Appointment, performance assessment and removal of the Managing Director. Ratifying the appointment and/or removal of other senior management, including the Company Secretary and other Board members;
5. **Remuneration** - Management of the remuneration and reward systems and structures for executive management and staff;
6. **Risk management** - Ensuring that appropriate risk management systems and internal controls are in place; and
7. **Relationships with the exchanges, regulators and continuous disclosure** - Ensuring that the capital markets are kept informed of all relevant and material matters and ensuring effective communications with shareholders.

Composition of the Board

The names and details of the Directors of the Company in office at the date of this Statement are set out in the Report of the Directors.

The composition of the Board is determined using the following principles:

- Persons nominated as Non-executive Directors shall be expected to have qualifications, experience and expertise of benefit to the Company and to bring an independent view to the Board's deliberations. Persons nominated as Executive Directors must be of sufficient stature and security of employment to express independent views on any matter.
- The Chairperson should ideally be independent, but in any case be Non-executive and be elected by the Board based on his/her suitability for the position.
- The roles of Chairperson and Managing Director should not be held by the same individual.
- All Non-executive Directors are expected voluntarily to review their membership of the Board from time-to-time taking into account length of service, age, qualifications and expertise relevant to the Company's then

current policy and programme, together with the other criteria considered desirable for composition of a balanced board and the overall interests of the Company.

- The Company considers that the Board should have at least three Directors (minimum required under the Company's Constitution) and strives to have a majority of independent Directors but acknowledges that this may not be possible at all times due to the size of the Company. Currently the Board has three Directors, none of which are independent directors. The Board believes that the Directors can make, and do make, quality and independent judgements in the best interests of the Company on all relevant issues, notwithstanding that they are not independent. The number of Directors is maintained at a level which will enable effective spreading of workload and efficient decision making.

The Chairman, Mr Geoff Donohue, is not an independent Director. However, the Board believes Mr Donohue is the most appropriate person for the position of Chairman because of his experience and proven track record as a public company director.

The Board has accepted the following definition of an independent Director:

“An independent Director is a Director who is not a member of management (a Non-executive Director) and who:

- is not a substantial shareholder of the Company or an officer of, or otherwise associated, directly or indirectly, with a substantial shareholder of the Company;
- has not within the last three years been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;
- is not a principal of a professional adviser to the Company or another group member;
- is not a significant consultant, supplier or customer of the Company or another group member, or an officer of or otherwise associated, directly or indirectly, with a significant consultant, supplier or customer;
- has no significant contractual relationship with the Company or another group member other than as a Director of the Company;
- has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.”

Atticus considers a significant consultant, supplier or customer to be material if the total of their annual invoices amounts to more than 5% of the Company's total expenditure in that category.

Independent Professional Advice and Access to Company Information

Each Director has the right of access to all relevant Company information and to the Company's executives and, subject to prior consultation with the Chairman, may seek independent professional advice at the Company's expense. A copy of advice received by the Director is made available to all other members of the Board.

Nomination Committee / Appointment of New Directors

Because the size of the Company and the size of the Board, the Directors do not believe it is appropriate to establish a separate Nomination Committee. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board are confident that this process for selection and review is stringent and full details of all Directors are provided to shareholders in the annual report and on the web.

The composition of the Board is reviewed on an annual basis to ensure the Board has the appropriate mix of expertise and experience. Where a vacancy exists, through whatever cause, or where it is considered that the Board would benefit from the services of a new director with particular skills, the Board determines the selection

criteria for the position based on the skills deemed necessary for the Board to best carry out its responsibilities and then appoints the most suitable candidate who must stand for election at the next general meeting of shareholders.

Term of Office

Under the Company's Constitution, the minimum number of Directors is three. At each Annual General Meeting, one third of the Directors (excluding the Managing Director) must resign, with Directors resigning by rotation based on the date of their appointment. Directors resigning by rotation may offer themselves for re-election.

Performance of Directors and Managing Director

The performance of all Directors, the Board as a whole and the Managing Director and Company Secretary are reviewed annually.

The Board meets once a year with the specific purpose of conducting a review of its composition and performance. This review includes:

- Determining the appropriate balance of skills and experience required to suit the Company's current and future strategies;
- Comparing the requirements above against the skills and experience of current Directors and executives;
- Assessing the independence of each Director;
- Measuring the contribution and performance of each Director;
- Assessing any education requirements or opportunities; and
- Recommending any changes to Board procedures, Committees or the Board composition.

A review was undertaken during the year ended 30 June 2009.

The Company currently has no senior executives and therefore no performance evaluation was undertaken during the year by the Board.

Conflict of Interest

In accordance with the Corporations Act and the Company's Constitution, Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company. Where the Board believes a significant conflict exists, the Director concerned does not receive the relevant Board papers and is not present at the Board meeting whilst the item is considered.

Remuneration

The Company's practice is to remunerate fairly and responsibly and part of the remuneration is to be incentive based as considered appropriate by the Board.

The performance of the Company depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to shareholder value; and
- establish appropriate performance hurdles in relation to variable executive remuneration.

A full discussion of the Company's remuneration philosophy and framework and the remuneration received by Directors in the current year is included in the remuneration report, which is contained within the Report of the Directors.

There are no schemes for retirement benefits for Non-executive directors, other than superannuation.

Board Remuneration Committee

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate remuneration committee is not considered efficient. The Board has taken a view that the full Board will hold special meetings or sessions as required. The Board are confident that this process for determining remuneration is stringent and full details of remuneration policies and payments are provided to shareholders in the remuneration report in the Report of the Directors and on the web.

Risk Oversight and Management

The Board is responsible for ensuring there are adequate policies in relation to risk management, compliance and internal control systems. In summary, the Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

A summary of the risks recognised by the Board can be found in the corporate governance information section of the Company website at www.atticusres.com.au.

Considerable importance is placed on maintaining a strong control environment. The Board actively promotes a culture of quality and integrity.

Control procedures cover management accounting, financial reporting, compliance and other risk management issues.

The Board encourages management accountability for the Company's financial reports by ensuring ongoing financial reporting during the year to the Board. Annually, the Company Secretary (who is responsible for preparing the financial reports) and the CEO (or equivalent) are required to state in writing to the Board that in all material respects:

Declaration required under s295A of the Corporations Act 2001 -

- the financial records of the Group for the financial year have been properly maintained;
- the financial statements and notes comply with the accounting standards;
- the financial statements and notes for the financial year give a true and fair view; and
- any other matters that are prescribed by the Corporations Act regulations as they relate to the financial statements and notes for the financial year are satisfied.

Additional declaration required as part of corporate governance -

- the risk management and internal compliance and control systems in relation to financial risks are sound, appropriate and operating efficiently and effectively.

These declarations were received for the June 2009 financial year.

Audit Committee

Due to the limited size of the Company and of its operations and financial affairs, the use of a separate audit committee is not considered appropriate. In addition to management's accountability, the Board assures integrity of the financial statements by:

- (a) reviewing the Company's statutory financial statements to ensure the reliability of the financial information presented and compliance with current laws, relevant regulations and accounting standards; and
- (b) monitoring compliance of the accounting records and procedures, in conjunction with the Company's auditor, on matters overseen by the Australian Securities and Investments Commission, ASX and Australian Taxation Office;
- (c) ensuring that management reporting procedures, and the system of internal control, are of a sufficient standard to provide timely, accurate and relevant information as a sound basis for management of the Group's business;
- (d) reviewing audit reports and management letters to ensure prompt action is taken by the Company's management; and
- (e) When required, nominating the external auditor and at least annually reviewing the external auditor in terms of their independence and performance in relation to the adequacy of the scope and quality of the annual statutory audit and half-year review and the fees charged.

Code of Conduct

The Company has developed a Code of Conduct (the Code) which has been fully endorsed by the Board and applies to all Directors and employees. The Code 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 Company's integrity.

In summary, the Code requires that at all times all Company personnel act with the utmost integrity, objectivity and in compliance with the letter and the spirit of the law and Company policies.

Share Trading Policy

Directors, officers, consultants, management and other employees are prohibited from trading in the Company's shares, options and other securities in the following circumstances:

- if they are in possession of price-sensitive information; and
- speculative trading for a short term gain.

Market Disclosure Policies

The Board has a Market Disclosure Policy to ensure the compliance of the Company with the various laws and ASX Listing Rule obligations in relation to disclosure of information to the market. The Managing Director is responsible for ensuring that all employees are familiar with and comply with the policy.

Atticus is committed to:

- (a) ensuring that shareholders and the market are provided with timely and balanced information about its activities;
- (b) complying with the general and continuous disclosure principles contained in the ASX Listing Rules and the Corporations Act 2001; and
- (c) ensuring that all market participants have equal opportunities to receive externally available information issued by Atticus.

Communication with Shareholders

The Company places significant importance on effective communication with shareholders.

Information is communicated to shareholders through the distribution of the annual and half yearly financial reports, quarterly reports on activities, announcements through ASX and the media, on the Company's web site and through the Chairman's address at the annual general meeting.

In addition, news announcements and other information are sent by email to all persons who have requested their name to be added to the email list. If requested, the Company will provide general information by email, facsimile or post.

The Company will, wherever practicable, take advantage of new technologies that provide greater opportunities for more effective communications with shareholders.

Company Website

Atticus has made available full details of all its corporate governance principles, which can be found in the corporate governance information section of the Company website at www.atticusres.com.au.



BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd
128 Hay Street
SUBIACO WA 6008
PO Box 700
SUBIACO WA 6872
Phone 61 8 9380 8400
Fax 61 8 9380 8499
aa.perth@bdo.com.au
www.bdo.com.au

ABN 79 112 284 787

24 September 2009

The Directors
Atticus Resources Limited
168 Stirling Highway
Nedlands WA 6009

Dear Sirs

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF ATTICUS RESOURCES LIMITED

As lead auditor of Atticus Resources Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Atticus Resources Limited and the entities it controlled during the period.

Glyn O'Brien
Director

BDO Kendalls Audit & Assurance (WA) Pty Ltd
Western Australian, Perth

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Statements of Comprehensive Income For the Year Ended 30 June 2009

	Note	Consolidated		Atticus Resources Limited	
		Year Ended 30 June 2009	Year Ended 30 June 2008	Year Ended 30 June 2009	Year Ended 30 June 2008
		\$	\$	\$	\$
Revenues					
Interest revenue		149,724	153,340	149,724	153,340
Expenses					
Compliance costs		(34,364)	(45,871)	(34,152)	(45,289)
Staff costs		(4,860)	(4,320)	(4,860)	(4,320)
Consultants Fees		(60,715)	(40,220)	(60,715)	(40,220)
Directors Fees		(72,000)	(48,000)	(72,000)	(48,000)
Legal Fees		(8,914)	(1,915)	(8,914)	(1,915)
Printing and stationery costs		2,164	(10,308)	2,164	(10,308)
Exploration written off		(137,153)	-	-	-
Impairment of intercompany loan		-	-	(140,300)	(1,336)
Other expenses		(45,616)	(18,706)	(42,001)	(18,031)
Loss before income tax		(211,734)	(16,000)	(211,054)	(16,079)
Income tax expense	2	-	-	-	-
Loss after income tax attributable to members of Atticus Resources Limited		(211,734)	(16,000)	(211,054)	(16,079)
Total comprehensive loss after income tax attributable to members of Atticus Resources Limited		(211,734)	(16,000)	(211,054)	(16,079)
Basic loss per share attributable to ordinary equity holders	3	Cents (0.71)	Cents (0.06)		

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

Balance Sheets

As at 30 June 2009

	Note	Consolidated		Atticus Resources Limited	
		30 June 2009	30 June 2008	30 June 2009	30 June 2008
		\$	\$	\$	\$
ASSETS					
Current Assets					
Cash and cash equivalents	18(a)	2,856,412	3,020,726	2,856,404	3,020,718
Trade and other receivables	4	3,840	4,252	181,834	210,445
Other assets		653	653	653	653
Total Current Assets		2,860,905	3,025,631	3,038,891	3,231,816
Non-Current Assets					
Deferred exploration and evaluation costs	5	218,057	247,782	-	-
Other financial assets	6	-	-	40,000	40,000
Total Non-Current Assets		218,057	247,782	40,000	40,000
Total Assets		3,078,962	3,273,413	3,078,891	3,271,816
LIABILITIES					
Current Liabilities					
Trade and other payables	7	67,429	44,146	67,429	43,300
Borrowings	8	-	6,000	-	6,000
Total Current Liabilities		67,429	50,146	67,429	49,300
Total Liabilities		67,429	50,146	67,429	49,300
Net Assets		3,011,533	3,223,267	3,011,462	3,222,516
Equity					
Issued capital	9	3,283,724	3,283,724	3,283,724	3,283,724
Accumulated losses		(272,191)	(60,457)	(272,262)	(61,208)
Total Equity		3,011,533	3,223,267	3,011,462	3,222,516

The above balance sheets should be read in conjunction with the accompanying notes.

Statements of Cash Flows

For the Year Ended 30 June 2009

	Note	Consolidated		Atticus Resources Limited	
		Year Ended 30 June 2009	Year Ended 30 June 2008	Year Ended 30 June 2009	Year Ended 30 June 2008
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts – GST refunds		17,340	25,546	10,996	20,681
Payments to suppliers and employees		(217,171)	(153,378)	(208,078)	(154,180)
Interest received		149,724	153,340	149,724	153,340
Net cash flows (used in)/provided by operating activities	18(b)	(50,107)	25,508	(47,358)	19,841
Cash flows from investing activities					
Payments for exploration		(108,207)	(94,653)	-	-
Loans to controlled entities		-	-	(110,956)	(88,986)
Net cash flows used in investing activities		(108,207)	(94,653)	(110,956)	(88,986)
Cash flows from financing activities					
Proceeds from issue of shares		-	3,119,000	-	3,119,000
Payment of share issue costs		-	(330,276)	-	(330,276)
Repayment of Borrowings		(6,000)	-	(6,000)	-
Net cash flows (used in)/provided by financing activities		(6,000)	2,788,724	(6,000)	2,788,724
Net (decrease)/increase in cash and cash equivalents held		(164,314)	2,719,579	(164,314)	2,719,579
Add opening cash and cash equivalents brought forward		3,020,726	301,147	3,020,718	301,139
Closing cash and cash equivalents carried forward		2,856,412	3,020,726	2,856,404	3,020,718

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

Statements of Changes in Equity For the Year Ended 30 June 2009

	Issued Capital \$	Accumulated Losses \$	Total Equity \$
CONSOLIDATED			
At 1 July 2007	375,000	(44,457)	330,543
Loss for the year	-	(16,000)	(16,000)
Total comprehensive loss for the year	-	(16,000)	(16,000)
Transactions with owners in their capacity as owners:			
Issue of share capital, net of transaction costs	2,908,724	-	2,908,724
At 30 June 2008	3,283,724	(60,457)	3,223,267
Loss for the year	-	(211,734)	(211,734)
Total comprehensive loss for the year	-	(211,734)	(211,734)
Transactions with owners in their capacity as owners:			
Issue of share capital, net of transaction costs	-	-	-
At 30 June 2009	3,283,724	(272,191)	(3,011,533)
PARENT			
At 1 July 2007	375,000	(45,129)	329,871
Loss for the year	-	(16,079)	(16,079)
Total comprehensive loss for the year	-	(16,079)	(16,079)
Transactions with owners in their capacity as owners:			
Issue of share capital, net of transaction costs	2,908,724	-	2,908,724
At 30 June 2008	3,283,724	(61,208)	3,222,516
Loss for the year	-	(211,054)	(211,054)
Total comprehensive loss for the year	-	(211,054)	(211,054)
Transactions with owners in their capacity as owners:			
Issue of share capital, net of transaction costs	-	-	-
At 30 June 2009	3,283,724	(272,262)	(3,011,462)

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

1. ACCOUNTING POLICIES

(i) Basis of Accounting

This general purpose financial report for year ended 30 June 2009 has been prepared in accordance with Corporations Act 2001 and Australian Accounting Standards (including Australian Accounting Interpretations) and authoritative pronouncements of the Australian Accounting Standards Board.

This financial report has been prepared in accordance with the historical costs convention.

The functional currency and presentation currency of Atticus Resources Limited is Australian dollars.

(ii) Statement of Compliance

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

(iii) Adoption of New and Revised Standards

The Group has reviewed all of the Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting year ending 30 June 2009. These include the following:

- AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8. This now requires adoption of a 'management approach' to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. This is not expected to be significantly different from current disclosures.

- AASB 128 Revised. The revised AASB 128 removes the option to expense all borrowing costs. Atticus does not incur any borrowing costs and as such there will be no impact for Atticus.

- AASB 3 Revised. The revised AASB 3 applies to the acquisition method of business combinations. This is not expected to have any significant impact for Atticus.

- AASB 2008-1. These amendments to AASB 2 amend the definition of vesting conditions. To date Atticus has not issued any options with non-vesting conditions and as such there will be no significant impact for Atticus.

- AASB 2008-6. These amendments are consequential amendments to standards and have no significant affect for Atticus.

None of the other amendments or interpretations are expected to affect the accounting policies of Atticus.

Adoption of new accounting standard - AASB 101 Revised

The Group has early adopted AASB 101 Revised Presentation of Financial Statements; Disclosures and all consequential amendments which is applicable from 1 July 2009. The adoption of this standard has only affected the disclosure in these financial statements. There has been no affect on profit and loss or the financial position of the entity.

1. ACCOUNTING POLICIES - continued

(iv) Significant Accounting Estimates and Judgments

Significant accounting judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Exploration assets

The Group's accounting policy for exploration expenditure is set out at Note 1(v). The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the income statement.

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

(i) Impairment of assets

In determining the recoverable amount of assets, in the absence of quoted market prices, estimations are made regarding the present value of future cash flows using asset-specific discount rates and the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

(ii) Commitments - Exploration

The Group has certain minimum exploration commitments to maintain its right of tenure to exploration permits. These commitments require estimates of the cost to perform exploration work required under these permits.

(v) Summary of Significant Accounting Policies

Basis of consolidation

The consolidated financial statements include the financial statements of Atticus Resources Limited ("the Company"), and its subsidiary ("the Group" or "Group"). The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Where an entity has been acquired during the year, its results are included in consolidated results from the date control commenced.

Unrealised gains and losses and inter-entity balances resulting from transactions with or between controlled entities are eliminated in full on consolidation.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Statements of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less allowance for doubtful debts. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months.

1. ACCOUNTING POLICIES - continued

(v) Summary of Significant Accounting Policies - continued

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a reducing balance basis to write off the net cost of each item of plant and equipment over its expected useful life, being 2.5 to 5 years. Depreciation of the processing plant acquired during the year will be based over future periods on a basis related to expected benefits.

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred by or on behalf of the group is accumulated separately for each area of interest.

Exploration and evaluation expenditure is recognised in relation to an area of interest when the rights to tenure of the area of interest are current and either:

- such expenditure is expected to be recovered through successful development and commercial exploitation of the area of interest; or
- the exploration activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration expenditure, which no longer satisfies the above policy, is written off.

Restoration costs expected to be incurred are provided for as part of exploration, evaluation, development or production phases that give rise to the need for restoration.

Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is written down to its recoverable amount.

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.

Restoration, rehabilitation, and environmental costs

The group recognises any legal restoration obligation as a liability at the time a legal liability exists. The carrying amount of the long lived assets to which the legal obligation relates is increased by the restoration obligation costs and amortised over the producing life of the asset.

Investments

Non-current investments in subsidiaries are carried at their cost of acquisition in the Company's balance sheet. A provision against investment is made where the Company has assessed the investment as impaired.

1. ACCOUNTING POLICIES - continued

(v) Summary of Significant Accounting Policies - continued

Trade and other payables

Trade payables and other payables are recognised initially at fair value and subsequently at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Employee entitlements

Liabilities for wages and salaries, including non-monetary benefits, annual leave, and any other employee entitlements expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled.

Employee entitlements expenses and revenues arising in respect of wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other entitlements are charged against profits on a net basis.

Contributions are made to employee superannuation plans and are charged as expenses when incurred.

Issued capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Revenue

Revenues are recognised at fair value of the consideration received net of the amount of goods and services tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Interest revenue

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

1. ACCOUNTING POLICIES - continued

(v) Summary of Significant Accounting Policies - continued

Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised, except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the income statement.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense as applicable.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in Statements of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities that are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

1. ACCOUNTING POLICIES - continued

(v) Summary of Significant Accounting Policies - continued

Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the year that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

Consolidated		Atticus Resources Limited	
Year ended	Year ended	Year ended	Year ended
30 June 2009	30 June 2008	30 June 2009	30 June 2008
\$	\$	\$	\$

2. TAXATION

The reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Company's applicable income tax rate is as follows:

Loss before income tax	(211,734)	(16,000)	(211,054)	(16,079)
Income tax (benefit) @ 30%	(63,520)	(4,800)	(63,316)	(4,824)
Tax effect of amounts which are not deductible in calculating taxable income:				
Other costs not deductible	-	-	42,090	401
Deferred tax assets relating to tax losses not recognised	55,683	20,564	22,306	4,423
Other temporary differences not recognised	7,837	(15,764)	(1,080)	-
Total income tax expense	-	-	-	-

	Consolidated		Atticus Resources Limited	
	Year ended 30 June 2009	Year ended 30 June 2008	Year ended 30 June 2009	Year ended 30 June 2008
	\$	\$	\$	\$
2. TAXATION - continued				
Deferred tax assets and liabilities not recognised relate to the following:				
Deferred tax assets				
Tax losses	87,671	31,989	26,869	4,562
Other temporary differences	7,500	-	7,500	-
Deferred tax liabilities				
Exploration expenditure capitalised	(65,417)	(27,049)	-	-
Net deferred tax assets not recognised	<u>29,754</u>	<u>4,940</u>	<u>34,369</u>	<u>4,562</u>

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.

The franking account balance at year end was \$nil (2008: nil)

Atticus Resources Ltd and its 100% owned subsidiary have not formed a tax consolidated group.

	Consolidated	
	30 June 2009	30 June 2008
	Cents	Cents
3. EARNINGS PER SHARE		
Basic loss per share	<u>(0.71)</u>	<u>(0.06)</u>
		\$
Loss attributable to ordinary equity holders of the Company used in calculating:		
- basic earnings per share	<u>(211,734)</u>	<u>(16,000)</u>
	No of Shares	No of Shares
Weighted average number of ordinary shares outstanding during the year used in the calculation of:		
- basic earnings per share	<u>30,000,000</u>	<u>25,082,855</u>

The Company's potential ordinary shares, being its options granted, are not considered dilutive as the conversion of these options would result in a decrease net loss per share.

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$
4. TRADE AND OTHER RECEIVABLES				
Current				
GST refundable	3,840	4,252	3,528	2,795
Loan to subsidiary, interest free	-	-	360,606	249,650
Less: allowance for impairment of loan	-	-	(182,300)	(42,000)
Total current receivables	<u>3,840</u>	<u>4,252</u>	<u>181,834</u>	<u>210,445</u>

Fair Value and Risk Exposures:

- (i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
- (ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.
- (iii) Details regarding interest rate risk exposure are disclosed in note 17.
- (iv) Other receivables generally have repayments between 30 and 90 days.
- (v) Transactions between Atticus and its subsidiary consist of intercompany loans, upon which no interest is charged and no repayment schedule exists. The fair value approximates the carrying value of the receivable. An allowance for impairment loss has been recognised as at 30 June 2009, as there was objective evidence that the inter-company loan receivable was impaired.

There are no receivables that are past the due date.

5. DEFERRED EXPLORATION AND EVALUATION COSTS

Deferred exploration costs brought forward	247,782	37,619	-	-
Deferred exploration costs this year	107,428	210,163	-	-
Exploration costs previously deferred now written off	(137,153)	-	-	-
Deferred exploration costs carried forward	<u>218,057</u>	<u>247,782</u>	<u>-</u>	<u>-</u>

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$
6. OTHER FINANCIAL ASSETS				
Non-Current				
Investment in controlled entity at cost	-	-	44,000	44,000
Less allowance for impairment	-	-	(4,000)	(4,000)
Total investments	-	-	40,000	40,000

An allowance for impairment loss was recognised in prior years, as there was objective evidence that the inter-company investment was impaired. No further impairments have been recognised.

Details of the investments in the controlled entity is:

Name of Entity	Country of Incorporation	2009 % Held	2008 % Held
APG Resources Pty Ltd	Australia	100%	100%

7. TRADE AND OTHER PAYABLES

Current

Trade creditors and accruals	67,429	44,146	67,429	43,300
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Fair Value and Risk Exposures

- (i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
- (ii) Trade and other payables are unsecured and usually paid within 60 days of recognition.

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$
8. BORROWINGS				
Current				
Loans from Shareholders – refer note 13	-	6,000	-	6,000

9. CONTRIBUTED EQUITY

(a) Issued Capital

Ordinary shares fully paid	3,283,724	3,283,724	3,283,724	3,283,724
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(b) Movements in Ordinary Share Capital

Number of Shares	Summary of Movements	Issue Price	\$
12,912,500	Opening balance as at 1 July 2007		375,000
1,487,500	Issue of seed capital on 27 July 2007	8.0c	119,000
300,000	Issue of shares for Harris Find Acquisition on 19 October 2007	20c	60,000
300,000	Issue of shares for Yundamindera Joint Venture on 19 October 2007	20c	60,000
15,000,000	Issue of IPO shares on 22 October 2007	20c	3,000,000
	Costs of IPO		(330,276)
<u>30,000,000</u>	Closing Balance at 30 June 2008		<u>3,283,724</u>
<u>30,000,000</u>	Opening balance as at 1 July 2008		<u>3,283,724</u>
<u>30,000,000</u>	Closing Balance at 30 June 2009		<u>3,283,724</u>

(c) Listed Options

Atticus Resources Limited had the following listed options on issue as at 30 June 2009:

- 20,437,600 options at an exercise price of \$0.20 exercisable on or before 30 September 2012.

During the year, 3,187,600 listed options were released from escrow. No listed options, granted, cancelled or exercised (2008: nil).

(d) Unlisted Options

Atticus Resources Limited had the following unlisted options on issue as at 30 June 2009:

- 8,962,400 options at an exercise price of \$0.20 exercisable on or before 30 September 2012 held in escrow until 31 October 2009.

During the year, no unlisted options were granted, cancelled or exercised (2008: nil).

9. CONTRIBUTED EQUITY - continued

(e) Terms and Conditions of Issued Capital

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(f) Capital 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. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. Management has no current plans to adjust the capital structure. There are no plans to distribute dividends in the next year.

Total capital is equity as shown in the balance sheet.

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

Consolidated		Atticus Resources Limited	
30 June 2009	30 June 2008	30 June 2009	30 June 2008
\$	\$	\$	\$

10. COMMITMENTS AND CONTINGENT LIABILITIES

Tenement Expenditure Commitments:

The Company and the Group are required to maintain current rights of tenure to tenements, which require outlays of expenditure in 2008/2009. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however, they are expected to be fulfilled in the normal course of operations. Estimated expenditure on mining, exploration and prospecting leases for 2009/2010

72,674	67,360	-	-
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Contingencies:

It is possible that native title, as defined in the Native Title Act 1993, might exist over land in which the Company has an interest. It is impossible at this stage to quantify the impact (if any) that the existence of native title may have on the operations of the Company. However, at the date of these accounts, the Directors are aware that applications for native title claims have been accepted by the Native Title Tribunal over tenements held by the Company.

11. EMPLOYEE INCENTIVE SCHEME AND OTHER SHARE-BASED PAYMENTS**(a) Employee Incentive Scheme**

An employee incentive scheme has been established where Atticus Resources Limited may, at the discretion of management, grant options over the ordinary shares in Atticus Resources Limited to employees of the group. The options are granted at the discretion of the Directors, who may take into account skills, experience, length of service with the Company or an Associated Body Corporate, remuneration level and such other criteria as the Directors consider appropriate in the circumstances. Options issued pursuant to the Scheme are issued free of charge. The exercise price and expiry date of the options, and the date(s) on which the options may be exercised, is determined by the Directors, provided the exercise price shall not be less than the weighted average market price for shares (calculated as the average sale price for Atticus shares on ASX over the last 5 business days on which sales of shares were recorded on ASX) immediately preceding the date on which the Directors resolve to grant the said options. The options cannot be transferred and will not be quoted on ASX. There are currently no employees eligible and therefore no options have been issued to date under the Scheme.

As at 30 June 2009, no options have been granted under this scheme (2008: nil).

(b) Other Share Based Payments

There were no other share based payments made during the year (2008: nil).

12. KEY MANAGEMENT PERSONNEL DISCLOSURES**(a) Key Management Personnel Compensation**

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$
Short-term employee benefits	108,000	72,000	108,000	72,000
Post-employment benefits	4,860	4,320	4,860	4,320
	<u>112,860</u>	<u>76,320</u>	<u>112,860</u>	<u>76,320</u>

In 2008, \$50,000 was paid to Ausvaal Pty Ltd, of which Mr Ironside and Mr Donohue are directors, for the provision of administration and management services prior to the Company listing on ASX. No payments were made to Ausvaal Pty Ltd in 2009.

12. KEY MANAGEMENT PERSONNEL DISCLOSURES - continued

(b) Equity Instrument Disclosures Relating to Key Management Personnel

(i) Options provided as remuneration and shares issued on any exercise of such options

No options were provided as remuneration and no shares issued on any exercise of such options to any Director of Atticus Resources Limited and any other key management personnel of the Group during the financial year.

(ii) Option holdings

The number of options over ordinary shares in the Company held during the financial year by each Director of Atticus Resources Limited and any other key management personnel of the Group, including their personally related parties, are as follows:

2009

Options (held directly and indirectly)

Name	Balance at 1 July 2008	Options granted as remuneration during the year	Other Options granted during the year	Options exercised during the year	Balance at 30 June 2009	Number vested and exercisable
Geoffrey Donohue ²	4,525,000	-	-	-	4,525,000	612,500
Peter McIntyre ³	2,500,000	-	-	-	2,500,000	210,000
Peter Ironside ⁴	3,075,000	-	-	-	3,075,000	595,000
Total Options	10,100,000	-	-	-	10,100,000	1,417,500

2008

Options (held directly and indirectly)

Name	Balance at 1 July 2007	Options granted as remuneration during the year	Other Options granted during the year ¹	Options exercised during the year	Balance at 30 June 2008	Number vested and exercisable
Geoffrey Donohue ²	-	-	4,525,000	-	4,525,000	612,500
Peter McIntyre ³	-	-	2,500,000	-	2,500,000	210,000
Peter Ironside ⁴	-	-	3,075,000	-	3,075,000	595,000
Total Options	-	-	10,100,000	-	10,100,000	1,417,500

Details of options:

¹ One option issued for every share held to all shareholders on 20 August 2007.

² 3,912,500 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 612,500 listed options exercisable at 20c on or before 30 September 2012

³ 2,290,000 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 210,000 listed options exercisable at 20c on or before 30 September 2012

⁴ 2,480,000 options escrowed to 31 October 2009 exercisable at 20c on or before 30 September 2012. 595,000 listed options exercisable at 20c on or before 30 September 2012

12. KEY MANAGEMENT PERSONNEL DISCLOSURES - continued

(b) Equity Instrument Disclosures Relating to Key Management Personnel (continued)

(iii) *Share holdings*

The number of ordinary shares in the Company held during the financial year by each Director of Atticus Resources Limited and any other key management personnel of the Group, including their personally related parties, are as follows.

There were no shares granted during the year as compensation (2008: nil). There were no shares issued upon exercise of options (2007: nil).

2009

Shares (held directly and indirectly)

Name	Balance at 1 July 2008	Net change during the year	Balance at 30 June 2009
Geoffrey Donohue ¹	4,525,000	-	4,525,000
Peter McIntyre ²	2,500,000	-	2,500,000
Peter Ironside ³	3,075,000	-	3,075,000
Total Shares	10,100,000	-	10,100,000

2008

Shares (held directly and indirectly)

Name	Balance at 1 July 2007	Net change during the year	Balance at 30 June 2008
Geoffrey Donohue ¹	4,150,000	375,000	4,525,000
Peter McIntyre ²	2,500,000	-	2,500,000
Peter Ironside ³	2,700,000	375,000	3,075,000
Total Shares	9,350,000	375,000	10,100,000

¹ 3,912,500 shares escrowed to 31 October 2009

² 2,290,000 shares escrowed to 31 October 2009

³ 2,480,000 shares escrowed to 31 October 2009

(c) Other Transactions with Key Management Personnel

There were no other transactions with Key Management Personnel.

13. OTHER RELATED PARTY TRANSACTIONS**Subsidiaries**

During the financial year the parent entity provided loan funds to its subsidiary, APG Resources, of \$110,956 (2008: \$208,986). \$140,300 of this loan was considered impaired and written off as at 30 June 2009 (2008: \$1,336). Further information is disclosed in Note 4.

Loans from Shareholders (Note 8)

During the 2007 period, shareholders oversubscribed to shares by \$6,000. This amount was returned to shareholders during the 2009 year.

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$

14. AUDITORS' REMUNERATION

Amount received or due and receivable by the auditor for:

Auditing the financial statements	24,361	9,129	24,361	9,129
Other services:				
- Taxation Compliance	8,524	-	4,934	-
- Investigating Accounts Report	-	9,340	-	9,340
	<u>32,885</u>	<u>18,469</u>	<u>29,295</u>	<u>18,469</u>

15. SEGMENT INFORMATION

The Group operates principally in one business segment being mineral exploration, and one geographical segment being Australia.

16. JOINT VENTURES

The Group has the following interests in unincorporated joint ventures:

Joint Venture	Principal Activities	Atticus Group % Interest	
		30 June 2009	30 June 2008
Yundamindera Joint Venture	Exploration	80%	80%

The joint venture is not a separate legal entity. It is a contractual arrangement between participants for the sharing of costs and outputs and does not in itself generate revenue and profit. The joint venture is of the type where initially one party contributes tenements with the other party earning a specified percentage by funding exploration activities; thereafter the parties often share exploration and development costs and output in proportion to their ownership of joint venture assets. The joint venture does not hold any assets and accordingly the Company's share of exploration evaluation and development expenditure is accounted for in accordance with the policy set out in note 1.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND INSTRUMENTS

The parent entity's principal financial instruments comprise cash and short-term deposits. The main purpose of these financial instruments is to provide working capital for the Group's operations.

The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below.

Interest Rate Risk

At balance date the Group's exposure to market risk for changes in interest rates relates primarily to the Company's short-term cash deposits. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.

At balance date, the parent entity had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	Consolidated		Atticus Resources Limited	
	2009	2008	2009	2008
	\$	\$	\$	\$
Financial Assets:				
Cash and cash equivalents (interest-bearing accounts)	2,856,412	3,020,726	2,856,404	3,020,718
Net exposure	<u>2,856,412</u>	<u>3,020,726</u>	<u>2,856,404</u>	<u>3,020,718</u>

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance sheet date for variable interest bearing accounts. The 0.5% sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical LIBOR movements over the last 3 years.

At 30 June 2009, if interest rates had moved on variable interest bearing accounts, as illustrated in the table below, with all other variables held constant, post tax profit and equity relating to financial assets of the Group would have been affected as follows:

	Consolidated		Atticus Resources Limited	
	2009	2008	2009	2008
	\$	\$	\$	\$
Judgements of reasonably possible movements:				
Post tax profit - higher / (lower)				
+ 0.5%	14,281	15,102	14,281	15,102
- 0.5%	(14,281)	(15,102)	(14,281)	(15,102)
Equity - higher / (lower)				
+ 0.5%	14,281	15,102	14,281	15,102
- 0.5%	(14,281)	(15,102)	(14,281)	(15,102)

The sensitivity in 2009 is less than in 2008, due to a lower average cash balance during the year. The Company does not expect interest rates to decrease in the next year.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES, POLICIES AND INSTRUMENTS - continued**Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Company has a credit risk in relation to its cash at bank, short-term deposits and receivables. However, this risk is minimised as the cash is deposited only with AA or greater (Moody's) rated financial institutions. The Company does not have any other significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

Impairment losses are recorded against receivables unless the Company is satisfied that no recovery of the amount owing is possible; at that point the amount is considered irrecoverable and is written off against the financial asset directly.

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

Liquidity Risk

The Group has no significant exposure to liquidity risk as there is effectively no debt. Trade payables are all expected to be paid within 30 days. The Group manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

Foreign Exchange Risk

The Group has no exposure to foreign exchange risk.

Commodity Price Risk

The Group's exposure to price risk is minimal given the Group is still in an exploration phase.

Fair Value

Due to the short-term nature of receivables and payables, their carrying amount approximates their fair value.

Consolidated		Atticus Resources Limited	
30 June 2009	30 June 2008	30 June 2009	30 June 2008
\$	\$	\$	\$

18. STATEMENT OF CASH FLOW INFORMATION**(a) Cash and cash equivalents**

Cash at bank and in hand	156,412	120,726	156,404	120,718
Short-term deposits	2,700,000	2,900,000	2,700,000	2,900,000
	<u>2,856,412</u>	<u>3,020,726</u>	<u>2,856,404</u>	<u>3,020,718</u>

The Group's and the parent entity's exposure to interest rate risk is discussed in note 17. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

	Consolidated		Atticus Resources Limited	
	30 June 2009	30 June 2008	30 June 2009	30 June 2008
	\$	\$	\$	\$
18. STATEMENT OF CASH FLOW INFORMATION - continued				
(b) Reconciliation of loss after tax to the net cash flows used in operations				
Loss after income tax	(211,734)	(16,000)	(211,054)	(16,079)
Non-Cash Items:				
Impairment of intercompany loan	-	-	140,300	1,336
Exploration written off	137,153	-	-	-
Change in assets and liabilities:				
(Increase)/decrease in receivables	412	74	(733)	(1,513)
(Increase)/decrease in other assets	-	(653)	-	(653)
Increase/(decrease) in payables	24,062	42,087	24,129	36,750
Net cash flows (used in)/provided by operating activities	(50,107)	25,508	(47,358)	19,841

19. EVENTS SUBSEQUENT TO YEAR END

There are no other matters or circumstances that have arisen since 30 June 2009 that have or may significantly affect the operations, results, or state of affairs of the group in future financial years.

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

- (1) (a) the financial statements, notes and audited remuneration disclosures included in the directors' report of the Company and the Group are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and Group's financial position at 30 June 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001; 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; and
 - (c) the remuneration disclosures set out in the Directors' Report (as part of the audited Remuneration Report) for the year ended 30 June 2009 comply with section 300A of the Corporations Act 2001.
- (2) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2009.

On behalf of the Board



Geoffrey Donohue
Chairman
Perth, Western Australia
24 September 2009



BDO Kendalls

BDO Kendalls Audit & Assurance (WA) Pty Ltd
128 Hay Street
SUBIACO WA 6008
PO Box 700
SUBIACO WA 6872
Phone 61 8 9380 8400
Fax 61 8 9380 8499
aa.perth@bdo.com.au
www.bdo.com.au

ABN 79 112 284 787

INDEPENDENT AUDITOR'S REPORT To the members of ATTICUS RESOURCES Limited

We have audited the accompanying financial report of Atticus Resources Limited, which comprises the balance sheet as at 30 June 2009, 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 and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

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Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001 would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

- (a) the financial report of Atticus 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 2009 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Atticus Resources Limited for the year ended 30 June 2009, complies with section 300A of the Corporations Act 2001.

BDO Kendalls Audit & Assurance (WA) Pty Ltd

BDO Kendalls
Glyn O'Brien

Glyn O'Brien
Director

Signed in Perth, Western Australia
Dated this 24th day of September 2009.

Additional information required by ASX Ltd and not shown elsewhere in this report is as follows. The information is current as at 9 September 2009.

Twenty Largest Holders of Quoted Shares

Name	Number of Ordinary Shares	Percentage of Issued Capital
1 Sandhurst Trustees Ltd <JMFG Consol A/c>	2,207,500	10.49
2 Sandhurst Trustees Ltd <JM MPS A/c>	1,429,285	6.79
3 HSBC Custody Nominees (Australia) Limited - A/c 2	1,400,000	6.65
4 Equity Trustees Limited <Augusta Investors Inc>	967,429	4.60
5 Loneseach Pty Ltd <Carnac A/c>	500,000	2.38
6 Colbern Fiduciary Nominees Pty Ltd	400,000	1.90
7 Torobar Pty Ltd <ILWIL Super Fund A/c>	400,000	1.90
8 Ironside Pty Ltd <Ironside Super Fund A/c>	375,000	1.78
9 Foxmore Holdings Pty Ltd	355,000	1.69
10 Aggregated Capital Pty Ltd <Super Fund No 2 A/c>	350,000	1.66
11 BrilliantGold Pty Ltd	300,000	1.43
12 Mr Geoffrey C Nathan & Mrs Elizabeth M Nathan <Nathan Super Fund A/c>	250,000	1.19
13 Runyon Pty Ltd	225,000	1.07
14 Company Fifty Pty Ltd <McDonald Family A/c>	222,827	1.06
15 Mr John Charles Holmes Clark	210,000	1.00
16 Labonne Enterprises Pty Ltd <McIntyre Family A/c>	210,000	1.00
17 Mr John Anthony Taylor	204,250	0.97
18 Mr John O'Connor <The O'Connor A/c>	200,000	0.95
19 Rembu Pty Ltd <Donohue Super Fund A/c>	200,000	0.95
20 Mr John Francis Ward & Mr Paul Anthony Butson	200,000	0.95
	10,606,291	50.42
Shares quoted at 9 September 2009	21,037,600	

Substantial Shareholders

An extract of the Company's register of substantial shareholders is as follows:

Name	Number of Ordinary Shares	Percentage of Issued Capital
Geoff Donohue	4,525,000	15.08%
Peter Reynold Ironside	3,075,000	10.25%
Labonne Enterprises Pty Ltd <McIntyre Family A/c>	2,500,000	8.33%

Distribution of Quoted Shares

Size of Holding	Number of Shareholders	Number of Ordinary Shares	Percentage of Issued Capital
1 - 1,000	-	-	-
1,001 - 5,000	18	66,604	0.31
5,001 - 10,000	80	757,503	3.60
10,001 - 100,000	196	6,345,856	30.16
100,000 and over	42	13,867,637	66.92
Total Shareholders	336	21,037,600	100.00
Number of shareholders holding less than a marketable parcel	2		

Voting Rights

All shares carry one vote per share without restriction.

Listed Options

20,437,600 options at an exercise price of \$0.20 exercisable on or before 30 September 2012.

Twenty Largest Holders of Quoted Options

Name	Number of Options	Percentage of Issued Capital
1 Sandhurst Trustees Ltd <JMFG Consol A/c>	1,847,500	9.04
2 HSBC Custody Nominees (Australia) Limited - A/c 2	1,400,000	6.85
3 S G J Investments Pty Ltd	893,801	4.37
4 Piat Corp Pty Ltd	873,375	4.27
5 Mr Sean John Appleford	725,000	3.55
6 Loneseach Pty Ltd <Carnac A/c>	450,000	2.20
7 Mr John Anthony Taylor	421,500	2.06
8 Mr John Charles Holmes Clark	400,000	1.96
9 Colbern Fiduciary Nominees Pty Ltd	400,000	1.96
10 Ironside Pty Ltd <Ironside Super Fund A/c>	375,000	1.83
11 Mr Wayne Richard Jones	355,774	1.74
12 Aggregated Capital Pty Ltd <Super Fund No 2 A/c>	350,000	1.71
13 Foxmore Holdings Pty Ltd	343,000	1.68
14 Mr Geoffrey C Nathan & Mrs Elizabeth M Nathan <Nathan Super Fund A/c>	250,000	1.22
15 Ephpheta Foundation	225,000	1.10
16 Mr John Charles Holmes Clark	210,000	1.03
17 Labonne Enterprises Pty Ltd <McIntyre Family A/c>	210,000	1.03
18 Ms Angela Michelle Gamble	200,000	0.98
19 Mr Maxwell David Mercer	200,000	0.98
20 Mr John O'Connor <The O'Connor A/c>	200,000	0.98
	10,329,950	50.54%
Quoted Options on issue at 9 September 2009	20,437,600	

During the year, no options expired and no options were exercised.

Distribution of Quoted Options

Size of Holding	Number of Optionholders	Number of Options	Percentage of Issued Capital
1 - 1,000	-	-	-
1,001 - 5,000	3	11,000	0.05
5,001 - 10,000	85	835,600	4.09
10,001 - 100,000	198	5,505,300	26.94
100,000 and over	44	14,085,700	68.92
Total Optionholders	330	20,437,600	100.00
 Number of optionholders holding less than a marketable parcel	 8		

Unquoted Securities

	Number on Issue	Number of Holders
Ordinary Shares escrowed to 31 October 2009	8,962,400	26
Options escrowed to 31 October 2009	8,962,400	26

The names of holders who hold 20% or more of each class of unquoted securities is as follows:

Name	Number	Percentage
<i>Ordinary Shares escrowed to 31 October 2009</i>		
Labonne Enterprises Pty Ltd <McIntyre Family A/c>	2,290,000	25.55
<i>Options escrowed to 31 October 2009</i>		
Labonne Enterprises Pty Ltd <McIntyre Family A/c>	2,290,000	25.55

Use of Cash

During the reporting period, the use of cash has been consistent with the Company's business objectives.

WESTERN AUSTRALIA TENEMENT SCHEDULE

1. Hartwell Bore Tenements (APG 100%)

Tenement	Registered Holder or Applicant	Shares
E36/653	APG Resources Pty Ltd	100/100ths

2. Yundamindera Tenements (APG 80% interest)

Tenement	Registered Holder or Applicant	Shares
E39/1110	BrilliantGold Pty Ltd	100/100ths
E39/1249	BrilliantGold Pty Ltd	100/100ths

3. Yundamindera Tenements (APG 100%)

Tenement	Registered Holder or Applicant	Shares
P39/4927	APG Resources Pty Ltd	100/100ths
P39/4928	APG Resources Pty Ltd	100/100ths

Atticus Resources Limited
Ground Floor, 168 Stirling Highway, Nedlands, Western Australia 6009
T: 61 8 9423 5925 F: 61 8 9389 1750
E: info@atticusres.com.au

ABN 34 124 782 038