

**ZEDEX MINERALS**  
**LIMITED**

**UNAUDITED INTERIM CONDENSED**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**30 SEPTEMBER 2009**

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## DIRECTORY

<b>DIRECTORS</b>	J A G Seton (Executive Chairman) P F Seton (Managing Director) A J Eggers (Non-Executive Director) L G Robinson (Non-Executive Director)
<b>COMPANY SECRETARY ADMINISTRATION AND REGISTERED OFFICE IN NEW ZEALAND</b>	S J Baxter Level 2, 63 Fort Street Auckland, New Zealand Phone +64 9 379 8787 Fax +64 9 379 8788 Email <a href="mailto:general@zedex.com.au">general@zedex.com.au</a>
<b>REGISTERED OFFICE IN AUSTRALIA</b>	30 Ledger Road Balcatta, Western Australia, 6021 Phone +61 8 9240 2836 Fax +61 8 9240 2406
<b>AUDITOR</b>	Ernst & Young 41 Shortland Street Auckland, New Zealand
<b>SHARE REGISTRY</b>	Computershare Investor Services Pty Ltd Level 2/45 St Georges Terrace Perth, Western Australia, 6000 Phone +61 8 9323 2000 Fax +61 8 9323 2033
<b>NZ SOLICITORS</b>	Holland Beckett Private Bag 12011, Tauranga 3143 New Zealand
<b>AUSTRALIAN SOLICITORS</b>	Horton Rhodes Legal Pty Limited Level 6, 66 Hunter Street Sydney, NSW 2000, Australia
<b>BANKERS</b>	Westpac Banking Corporation

**STOCK EXCHANGE LISTING** Australian Stock Exchange Limited ASX Code: ZDX  
**COMPANY NUMBER** AK 944539  
**PLACE AND DATE OF  
INCORPORATION** NEW ZEALAND, 23 February 1999

**ZEDEX MINERALS LIMITED  
DIRECTORS' REPORT  
FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

Your Directors have pleasure in presenting the interim financial report for the half-year ended 30 September 2009.

**DIRECTORS**

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

John Seton (Executive Chairman)  
Paul Seton (Managing Director)  
Lesley Robinson (Non-Executive Director)  
Patrick Flint (Non-Executive Director)(Resigned effective 15 July 2009)  
Alan Eggers (Non-Executive Director)

**REVIEW AND RESULTS OF OPERATIONS**

The net deficit of the Group for the half-year ended 30 September 2009 amounted to \$5,225,855 (half-year ended 30 September 2008: \$(3,383,772)).

***Corporate Activities***

During the period the Company sold 3,783,784 shares in Olympus Pacific Minerals Inc ("Olympus") to fund operating activities. As at 30 September 2009 the Company held a 26.28% interest in Olympus. Subsequent to the end of the period the company has announced an amalgamation with Olympus which will be voted on by shareholders at a Special General Meeting on Dec 17, 2009.

During the half year period Olympus reported that it had:

- Completed production plant modifications to improve output;
- Increased production to an annualised rate of 40,000 ounces of gold per annum;
- The extension of the joint venture mining license at Phuoc Son to July 2011;
- The mandating of Macquarie Bank Limited for \$20m loan facility to fund mine expansion;
- Resumption of toll treatment of Phuoc Son high grade gold ore with a trucking permit to Dec 2010.

The Company extended its existing agreement with Hamilton Gulf Limited to provide further loan facilities and extended the term of the loan. Zedex has applied these funds for working capital purposes.

## Exploration Activities

### Bau Gold Project (Zedex 50.5%)

The following activities occurred during the period,

- a mine scoping study from Terra Mining Consultants has been commissioned and commenced,
- a review of prior metallurgical test results has indicated a process for effective gold recovery from Bau Goldfield ores,
- A technical programme has been approved to assess the economic feasibility of recovering gold by reprocessing BYG mine tailings,
- Geological examination of geophysical targets peripheral to the Jugan gold deposits returned positive surface indications of possible mineralization at depth in three out of five sites examined.

The Bau Gold Project (JORC compliant) resource as at 30 September 2009 is as follows:

<b>SECTOR</b>	<b>Tonnes (Mt)</b>	<b>Grade (g/t Au)</b>	<b>Cutoff (g/t Au)</b>	<b>Category</b>	<b>Contained Gold (oz)</b>
Sirenggok	7.185	1.23	0.75	Inferred	310,000
Pejiru	8.576	2.24	1.00	Inferred	497,000
Jugan	9.226	1.66	1.00	Indicated	492,000
Jugan	2.514	2.202	1.00	Inferred	178,000
BYG Mine Tailings	1.291	1.332	0.62	Indicated	55,000
BYG Mine Tailings	1.878	1.332	0.62	Inferred	80,000
<b>Total:</b>					<b>1,612,000</b>

These resources all lie at shallow depth and are potentially amenable to open-pit mining.

### Tien Thuan Polymetallic Project (Zedex 75% development interest)

During the period, exploration on the Tien Thuan Gold Project was suspended owing to the effects of the global recession. Ongoing work by local staff however resulted in approvals being granted by provincial authorities for construction of a drill access road into the centre of the Nui Bac Ma quartz vein swarm. Commencement of construction will begin in late December 2009 prior to recommencement of exploration activities in early 2010.

For and on behalf of the Board

J A G Seton  
Chairman

P F Seton  
Director

14 December 2009

## **JORC Statement**

The information in this report relating to the mineral resources at the Bau Gold Project is based on information compiled by John Ashby who is a fellow of the Australasian Institute of Mining and Metallurgy and who is employed by Ashby Consultants Ltd. John Ashby has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to resource estimation to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." John Ashby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Scientific or technical information in this report has been prepared under the supervision of Rod Murfitt, Chief Geologist of the Company and a member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Murfitt has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which he is undertaking to qualify as a Competent Person, as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Murfitt consents to the inclusion in this report of the Information, in the form and context in which it appears.

## Review Report to the Shareholders of Zedex Minerals Limited

We have reviewed the consolidated interim financial statements on pages 9 to 19. The consolidated interim financial statements provide information about the past financial performance and cash flows of the company and its subsidiaries ('the group') for the period ended 30 September 2009 and its financial position as at that date. This information is stated in accordance with the policies set out on page 13.

This report is made solely to the company's shareholders, as a body, in accordance with the ASX Listing Rules. Our review has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our review work, for this report, or for our findings.

### Directors' Responsibilities

The directors are responsible for the preparation of the consolidated interim financial statements in accordance with generally accepted accounting practice in New Zealand and that present fairly the matters to which they relate and for such internal control as the directors determine necessary to enable the preparation of consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

### Independent Accountant's Responsibilities

We are responsible for reviewing the consolidated interim financial statements presented by the directors in order to report to you whether, in our opinion and on the basis of the procedures performed by us, anything has come to our attention that would indicate that the consolidated interim financial statements do not present fairly the matters to which they relate.

### Basis of Opinion

A review is limited primarily to enquiries of company personnel and analytical review procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, do not express an audit opinion.

We have reviewed the interim financial statements of the group for the period ended 30 September 2009 in accordance with the Review Engagement Standards issued by the Institute of Chartered Accountants of New Zealand. These standards require that we plan and perform the review to obtain moderate assurance as to whether the statements are free of material misstatement whether caused by fraud or error.

Other than in our capacity as auditor we have no relationship with, or interest in, the company or any of its subsidiaries.

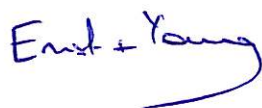
### Fundamental Uncertainty

In forming our unqualified statement of findings, we have considered the adequacy of the disclosures made in the consolidated interim financial statements regarding the negotiation for future funding. As stated in note 7, the consolidated interim financial statements have been prepared on the going concern basis, the validity of which depends upon future funding being available. The consolidated interim financial statements do not include any adjustments that would result from a failure to obtain future funding.

### Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the consolidated interim financial statements on pages 9 to 19 do not present fairly the financial position of the group as at 30 September 2009 and its financial performance and cash flows for six month period ended on that date in accordance with NZ International Accounting Standard 34: Interim Financial Reporting.

Our review was completed on 14 December 2009 and our review opinion is expressed as at that date.



Auckland



**ZEDEX MINERALS LIMITED**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE**  
**INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

	Notes	Consolidated	
		Unaudited 30 SEPTEMBER 2009 NZ\$	Unaudited 30 SEPTEMBER 2008 (As Restated) NZ\$
<b>REVENUE</b>			
Interest earned		3,759	10,090
Royalty revenue		92,601	113,119
		96,360	123,209
<b>Less EXPENSES</b>			
Amortisation		30,867	37,105
Audit fees		42,500	36,450
Depreciation		11,361	14,243
Directors fees		42,490	76,991
Impairment of Exploration & Evaluation Expenditure	9	23,104	4,352,487
Foreign exchange loss/(gain)		1,378,784	(425,905)
Field Operating Costs		97,418	116,973
Finance costs		115,894	1,744
Rent		4,800	8,431
Consulting fees		171,991	309,023
Legal fees		20,548	83,512
Share based payments		45,364	202,643
Share of Loss of an Associate	8	2,118,726	371,144
Loss on Partial Disposal of Investment		1,037,555	-
Gain on investment recognised at acquisition	8	-	(8,801,740)
Other expenses		180,813	356,336
		5,322,215	(3,260,563)
(Loss)/Profit Before Tax		(5,225,855)	3,383,772
Income Tax Expense		-	-
Net (Loss)/Profit for the Period		(5,225,855)	3,383,772
<b>OTHER COMPREHENSIVE INCOME</b>			
Net Loss on available for sale investment		-	(7,605,759)
Foreign Currency Translation (loss)/gain		(3,826,624)	1,101,229
Other Comprehensive Income For the period		( 3,826,624)	(6,504,530)
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		(9,052,479)	(3,120,758)
<b>EARNINGS PER SHARE FOR (LOSS)/PROFIT ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic earnings per share (cents)		-1.82	1.57
Diluted earnings per share (cents)		-1.82	1.57

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



**ZEDEX MINERALS LIMITED**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2009**

	Notes	Consolidated		
		Unaudited As at 30 SEPTEMBER 2009 NZ\$	Audited As at 31 MARCH 2009 NZ\$ (As Restated)	Unaudited As at 30 SEPTEMBER 2008 NZ\$ (As Restated)
<b><u>EQUITY</u></b>				
Equity attributable to equity holders of the parent				
Contributed Equity		45,788,576	45,702,190	45,238,593
Retained Deficit		(19,222,414)	(13,996,559)	(12,166,384)
Other Reserves	3	3,032,682	6,813,942	3,260,300
<b>TOTAL EQUITY</b>		<b>29,598,844</b>	<b>38,519,573</b>	<b>36,332,509</b>
 Represented by				
<b><u>CURRENT ASSETS</u></b>				
Cash		223,990	478,665	266,332
Receivables		66,090	69,749	74,182
Other assets		45,643	38,383	36,674
		<b>335,723</b>	<b>586,797</b>	<b>377,188</b>
 <b><u>NON CURRENT ASSETS</u></b>				
Property, plant and equipment		120,897	143,931	173,234
Exploration and Evaluation Expenditure	9	7,013,378	8,052,156	6,871,664
Investment in Associate		21,399,220	29,580,666	27,369,106
Other assets		65,167	64,843	64,201
Intangible Asset – Royalty Agreement		2,382,084	2,412,951	2,441,215
		<b>30,980,746</b>	<b>40,254,547</b>	<b>36,919,420</b>
 Total Assets		 <b>31,316,469</b>	 <b>40,841,344</b>	 <b>37,296,608</b>
 <b><u>Less CURRENT LIABILITIES</u></b>				
Trade and Other Payables		797,956	1,005,555	604,077
Interest-bearing Borrowings	7	919,669	1,316,216	360,022
 Total Current Liabilities		 <b>1,717,625</b>	 <b>2,321,771</b>	 <b>964,099</b>
 NET ASSETS		 <b>29,598,844</b>	 <b>38,519,573</b>	 <b>36,332,509</b>

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



**ZEDEX MINERALS LIMITED**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

	Notes	Consolidated	
		Unaudited 30 SEPTEMBER 2009 NZ\$	Unaudited 30 SEPTEMBER 2008 NZ\$
<b>Cash flows From Operating Activities</b>			
Cash was provided from:			
Royalty Received		87,174	106,234
Tax Refund		-	-
Interest Received		3,759	10,090
		<u>90,933</u>	<u>116,324</u>
Cash was distributed to:			
Payments to Suppliers		(769,593)	(582,680)
Interest Paid		(62,714)	(17)
		<u>(832,307)</u>	<u>(582,697)</u>
Net cash flows used in operating activities	10	<u>(741,373)</u>	<u>(466,373)</u>
<b>Cash flows From Investing Activities</b>			
Cash was provided from:			
Partial Sale of Investment		1,110,339	-
		<u>1,110,339</u>	<u>-</u>
Cash was applied to:			
Payments of Exploration and Evaluation expenditure		(129,644)	(2,050,157)
Purchase of plant and equipment		(4,416)	-
		<u>(134,060)</u>	<u>(2,050,157)</u>
Net cash flows from/(used in) investing Activities		<u>976,279</u>	<u>(2,050,157)</u>
<b>Cash flows from Financing Activities</b>			
Cash was provided from:			
Issue of Share Capital		-	1,787,200
Borrowings		-	358,295
		<u>-</u>	<u>2,145,495</u>
Cash was applied to:			
Costs of issue of Share Capital		-	(101,384)
Repayment of Borrowings		(411,119)	-
		<u>(411,119)</u>	<u>(101,384)</u>
Net cash flows from financing Activities		<u>(411,119)</u>	<u>2,044,111</u>
Effect of exchange rate changes on cash		<u>(78,462)</u>	<u>1,174</u>
Net decrease in Cash Held		<u>(254,675)</u>	<u>(471,245)</u>
Cash at the beginning of the financial period		478,665	737,577
Cash at the end of the financial period		<u>223,990</u>	<u>266,332</u>

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



**ZEDEX MINERALS LIMITED**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT**  
**OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

CONSOLIDATED	Contributed Equity	Retained Deficit	Foreign Currency Translation Reserve	Available for sale Reserve	Equity Based Compensation Reserve	Total Equity
At 31 March 2009 (as restated)	45,702,190	(13,996,559)	4,512,358	598,808	1,702,776	38,519,573
Loss for the period		(5,225,855)		-		(5,489,881)
Other Comprehensive Loss			(3,826,624)	-		(3,826,624)
Total Comprehensive loss for the half-year	-	(5,225,855)	(3,826,624)	-		(9,316,505)
Share Capital Issued	86,386			-		86,387
Share based payments	-				45,364	309,390
At 30 Sept 2009 (Unaudited)	45,788,576	(19,222,414)	685,734	598,808	1,748,140	29,598,844
At 31 March 2008	33,346,048	(15,550,156)	(26,011)	8,204,567	1,383,631	27,358,079
Profit for the period (as restated)		3,383,772		-		3,383,772
Other comprehensive income/(loss) (as restated)			1,101,229	(7,605,759)		(6,504,530)
Total Comprehensive profit/(loss) for the half-year	-	3,383,772	1,101,299	(7,605,759)		(3,120,758)
Share Capital Issued	11,848,431					11,848,431
Options Issued	44,114					44,114
Cost of share based payments					202,643	202,643
At 30 Sept 2008 (Unaudited) (as restated)	45,238,593	(12,166,384)	1,075,218	598,808	1,586,224	36,332,509

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



**ZEDEX MINERALS LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

**1. STATEMENT OF ACCOUNTING POLICIES**

**REPORTING ENTITY**

Zedex Minerals Limited is a company registered under the New Zealand Companies Act 1993. The Group consists of Zedex Minerals Limited and its subsidiaries.

**BASIS OF PREPARATION AND ACCOUNTING POLICIES**

**(a) Basis of Preparation**

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and NZ IAS 34 Interim Financial Reporting.

The financial statements are presented in New Zealand dollars.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2009 and considered together with any public announcements made by Zedex Minerals Limited relating to the half-year ended 30 September 2009 in accordance with continuous disclosure obligations of the ASX listing rules.

**(b) New Accounting Standards and Interpretations**

Other than changes made for new and amended accounting standards, the same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statements for 31 March 2009.

*(i) Changes in accounting policy and disclosures.*

The Group has adopted the following new and amended Standards and Interpretations as of 1 April 2009.

- NZ IFRS 7 *Financial Instruments: Disclosures effective 1 January 2009*
- NZ IFRS 8 *Operating Segments effective 1 January 2009*
- NZ IAS 1 *Presentation of Financial Statements (revised 2007) effective 1 January 2009*

The adoption of these standards did not have a material impact on the financial statements of the Group.

**NZ IFRS 8 Operating Segments**

NZ IFRS 8 replaced NZ IAS 14 *Segment Reporting* upon its effective date. NZ IFRS 8 disclosures are shown in note 5.

**NZ IAS 1 Presentation of Financial Statements**

The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented in a reconciliation of each component of equity and included in the new statement of comprehensive income. The statement of comprehensive income presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present one statement.

*(ii) Accounting Standards and Interpretations issued but not yet effective.*

The Group has not elected to early adopt any other new Standards or amendments that are issued by not yet effective.

**ZEDEX MINERALS LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

**2. CONTRIBUTED EQUITY**

	Number	NZ\$
Balance at 31 March 2009	286,026,569	45,702,190
Shares Issued in settlement of a debt	1,131,404	71,092
Shares issued on acquisition of Investment in Associate	310,000	15,294
At 30 September 2009	<u>287,467,973</u>	<u>45,788,576</u>
Balance at 31 March 2008	200,768,231	33,346,048
Exercise options at AU\$0.20	19,583	4,752
Share Placement at AU\$0.15 (Net of costs)	9,434,999	1,680,260
Shares issued on acquisition of Investment in Associate	66,253,496	10,163,419
At 30 September 2008	<u>276,476,309</u>	<u>45,194,479</u>

The capital of the Company comprises 287,467,973 (31 March 2009: 286,026,569, 30 September 2008: 276,476,309) ordinary shares fully paid up.

All shares have equal voting rights and share equally in dividends and surplus on winding up.

**OPTIONS**

The Company has the following options approved or on issue at 30 September 2009:

Number	Type	Exercise Price	Expiry Date	Granted	Issued to
2,200,000	Staff Options	A\$0.25	30 April 2012	15 June 2007	Members of staff
5,100,000	Incentive Options	A\$0.25	15 June 2012	15 June 2007	Members of management/directors
1,000,000	Director Options	A\$0.38	30 April 2012	15 June 2007	Directors
250,000	Incentive Options	A\$0.40	30 April 2012	20 Sept 2007	Members of management
8,000,000*	Incentive Options	A\$0.20	29 Sept 2011	29 Sept 2009	Members of management/directors
8,000,000*	Incentive Options	A\$0.35	28 Sept 2013	29 Sept 2009	Members of management/directors

\* The issue of these options was approved at the 29 September 2009 Annual General Meeting of Shareholders, however only 2,000,000 have been issued subsequent to balance date. Directors have elected not to take up the remaining options and so these will not be issued.

**3. OTHER RESERVES**

**Nature and Purpose of Reserves**

**Foreign currency translation reserve**

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and associates.

**Available for sale reserve**

The available-for-sale reserve is used to record increments and decrements in the fair value of available-for-sale-investments to the extent that they offset one another.



**ZEDEX MINERALS LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

**3. OTHER RESERVES (Continued)**

Equity based compensation reserve

The equity based compensation reserve is used to record the value of share based payments provided to directors, key management personnel and consultants as part of their remuneration.

**4. RELATED PARTIES**

*Transactions with key management personnel*

Trusts of which Mr P F Seton and Mr J A G Seton are potential beneficiaries have provided consulting services and loans to the company. Payments and accruals for the consulting services during the period were \$158,708 (period ended 30 September 2008 \$228,682, Year ended 31 March 2009 \$512,572). Payments and accruals for interest on the loans were \$63,217 (period ended 30 September 2008 \$785, Year ended 31 March 2009 \$42,378).

Key management personnel were approved by shareholder agreement the issue of 14,000,000 options to acquire shares in the form of new equity compensation benefits during the half year ended 30 September 2009, valued at \$231,449, however subsequent to 30 September 2009 the directors elected not to take up those options and they were never issued. The effect from prior year options issued amounts to \$44,335 (half year ended 30 September 2008: NZ\$201,127, Year ended 31 March 2009 \$317,629).

Total remuneration is included in "Directors fees", "Consulting fees" and "Share based payments".

The Company received loan funds from Hamilton Gulf Limited, a company to which trusts associated with Mr J A G Seton and Mr P F Seton have advanced funds. The loan incurs interest at a rate of 12% per annum and is repayable on or before 31 December 2009. (See Note 7)

*Other Transactions*

Other than as indicated elsewhere in this report, the Company has the following related party transactions:

The Company is entitled to a royalty of 2% of Olympus' share of production at the Bong Mieu project. The Company received royalties totalling \$92,601 for the six month period ended 30 September 2009 (half year ended 30 September 2008: NZ\$113,119, year ended 31 March 2009 \$196,106).



**ZEDEX MINERALS LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

**5. SEGMENT INFORMATION**

The Group's segment reporting format is by business activity, the group operates predominantly in two industries – Investment and Mineral Exploration. The Group further reports mineral exploration by joint venture operation. These are located in Australia (exploration activity in that country has currently ceased), Malaysia and Vietnam.

The operating businesses are organised and managed separately according to the joint venture arrangements under agreements in each location.

The following table presents revenue and expenditure information and certain asset and liability information regarding business segments for the half-years ended 30 September 2009 and 30 September 2008.

	Mineral Exploration		Mineral Exploration		Mineral Exploration		Investment		Total	
	Australia		Malaysia		Vietnam		Sep-09	Sep-08	Sep-09	Sep-08
	Sep-09	Sep-08	Sep-09	Sep-08	Sep-09	Sep-08				
	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$	NZ\$
Industry Segments										
Segment revenue							92,601	-	92,601	- 113,119
Unallocated revenue							-	113,119	-	3,759 10,090
Total revenue									96,360	123,209
Segment result	-23,104	-3,839,840	-88,119	-69,735	-1	-4,081	- 4,193,836	8,430,596	- 4,305,059	4,516,940
Unallocated corporate expenses									- 1,017,156	- 1,256,377
(Loss)/Profit before tax expense									- 5,225,855	3,383,772
Segment assets			6,241,118	6,101,139	772,260	770,525	23,781,304	29,810,321	30,794,682	36,681,985
Unallocated assets									521,787	614,623
Total assets									31,316,469	37,296,608





**ZEDEX MINERALS LIMITED**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 30 SEPTEMBER 2009**

**6. COMMITMENTS**

There were no capital expenditure commitments at balance date.

There are no commitments under non-cancellable operating leases.

In November 2006, the Company entered into an agreement to acquire an interest in the Bau Gold Project. The Company is required to:

- Make a cash payment of US\$500,000 to the joint venture partner group upon the Jugan gold deposit mine achieving 75% of the maximum rated capacity of the plant;
- Make a cash payment of US\$500,000 to the joint venture partner group six months after the Jugan gold deposit mine achieves 75% of the maximum rated capacity of the plant (provided the mine has operated continuously at or above that capacity for the period);
- fund exploration activities through to completion of a feasibility study.

The Company has entered into a consultancy agreement with the Jura Trust to provide the services of John Seton as Executive Chairman of the Company. The fee payable is A\$150,000 per annum plus out of pocket expenses and has subsequently been varied to an annual fee payable of A\$70,000.

The Company has entered into a consultancy agreement with the Lloyd Beaumont Trust to provide the services of Paul Seton to undertake all functions, duties, role and authorities which the company would require of a person engaged as Managing Director of the Company. The fee payable to the Lloyd Beaumont Trust is A\$240,000 per annum plus out of pocket expenses.

**7. GOING CONCERN AND FUNDING**

The Company is currently cash constrained and has current liabilities in excess of current assets. Ongoing business cashflows are currently being funded by short term debt.

During the six month period the company sold 3,783,784 shares in Olympus Pacific Minerals Inc for proceeds of US\$700,000 to fund operating activities. Short term debt funding of A\$740,000 remained in place from Hamilton Gulf Limited, having a repayment date of 31 December 2009 (extended post period end from contractual repayment date of 9 December 2009 as at 30 September 2009) and interest due monthly at a rate of 12% p.a. This is secured over the Company's Bong Mieu royalty agreement. Exploration and other costs have been scaled down to minimize cash outflows until the outcome of the proposed amalgamation with Olympus Pacific Minerals Inc is determined.

While management is optimistic that the amalgamation will proceed, when considering the going concern assumption the Directors have considered the following possible courses of action should this not be the case:

- further reduction of operating cash outflows
- potential extension of the term and/or amount of the Hamilton Gulf facility
- sale of the Bong Mieu royalty agreement
- sale of part of the Olympus shareholding (current quoted market value is approximately CDN\$18.7 million, NZ\$25 million)



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**7. GOING CONCERN AND FUNDING (Continued)**

Having considered the above factors, the Directors believe adoption of the going concern assumption is appropriate.

If the group were unable to continue in operational existence, adjustments would have to be made to reflect the situation that assets may need to be realized other than in the normal course of business and at amounts which could differ significantly from the amounts which are currently recorded in the balance sheet. In addition, liabilities may need to be recognized for costs associated with the realization process.

The statement of comprehensive income and statement of financial position of the Group do not include any adjustments that would result should financial support not continue.

**8. INVESTMENTS**

Zedex Minerals Limited holds 65,551,043 (31 March 2009 69,179,827, 30 September 2008 64,523,597) ordinary shares in the capital of Olympus Pacific Minerals Inc ("Olympus"), a Toronto, Canada listed company. Olympus is a mining company with mining interests in Vietnam and Philippines. The board of Olympus consists of five directors. Zedex has the right to nominate, but not appoint, two directors to the Olympus Board and currently has one director on that Board. At 30 September 2009 Zedex's holding amounts to a 26.28% (31 March 2009 29.66%, 30 September 2008 28%) interest in Olympus.

On 25 August 2008 the shareholders of the Company agreed to the increase in holding of Olympus by way of share swap. From that time the equity method of accounting was used. Prior to 30 September 2008, share swaps were completed to purchase 37,932,978 shares in Olympus Pacific Minerals Inc by the issue of 75,865,956 shares in Zedex Minerals Ltd. In addition 8,580,385 Olympus Pacific Minerals Inc warrants were purchased by the issue of 17,160,770 Zedex 2009 Options (expiry date 25 August 2009). All purchases completed prior to 30 September 2009 have been recorded at net fair value determined by an independent valuers report. The difference between the independently provided fair value of Olympus's assets and liabilities and the cost of the investment constitutes a discount on acquisition and has been recorded in income as a gain on acquisition of this investment.

In previous financial statements the discount on acquisition was calculated on the basis of provisional estimates of the values of Olympus' assets and liabilities. Following receipt of the independent valuers report, as well as restated Olympus results, the value of certain balances has been restated as follows:

	30 September 2008		31 March 2009	
	As Reported	As Restated	As Reported	As Restated
Investment in Associate	17,459,059	27,369,106	24,987,427	29,580,666
Gain on Acquisition	-	8,801,740	6,738,807	8,801,740
Foreign Currency Translation Reserve	-	1,075,218	1,696,715	4,512,358
Share of OYM Loss in associate	- 371,144	- 371,144	- 1,928,036	- 2,108,373
Share of Stock based compensation	-	-	105,000	-

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**9. IMPAIRMENT OF EXPLORATION AND EVALUATION EXPENDITURE**

The Company has decided not to pursue further exploration activity of its GR Enmore, Na Pai and Laos sites. As a result all cumulative exploration and evaluation amounts have been fully expensed in the related periods.

**10. CASH FLOW STATEMENT RECONCILIATION**

	30 SEPTEMBER 2009 NZ\$	Consolidated 30 SEPTEMBER 2008 NZ\$
Reconciliation of Net Loss after Taxation with Cash from Operating Activities		
Net Gain(Loss) for the period before Minority interest	(5,225,855)	3,383,772
Non Cash Items		
Depreciation	11,361	14,243
Amortisation	30,867	37,105
Foreign Exchange (Gain)/Loss	1,155,255	(425,905)
Share of loss of an associate	2,118,726	371,144
Gain on investment recognised at acquisition	-	(8,801,740)
Loss on Partial Disposal of Investment	1,037,555	-
Stock-based compensation	45,364	202,643
Impairment of Exploration & Evaluation expenditure	23,104	4,352,487
	(1,094,442)	(866,251)
Movement in Working Capital	62,253	399,878
Net Cash flows from Operating Activities	(741,373)	(466,373)

**11. SIGNIFICANT EVENTS AFTER BALANCE DATE**

Subsequent to the balance date Zedex has announced a proposed amalgamation with Olympus Pacific Minerals Inc, a Toronto based gold producer operating in Vietnam. A Special Meeting of shareholders is to take place in Auckland on December 17, 2009 at which the Zedex shareholders will vote on the proposed amalgamation. A full information pack about the amalgamation proposal can be found on the company website [www.zedex.com.au](http://www.zedex.com.au).

Subsequent to balance date the loan from Hamilton Gulf has had the repayment date extended to 31 December 2009 all other terms remain the same.

