Strategic Minerals Corporation N.L.

ACN 008 901 380

ANNUAL REPORT 2009

FOR THE YEAR ENDED 31 DECEMBER 2009

CONTENTS OF STATUTORY ANNUAL REPORT

CORPORATE DIRECTORY

DIRECTORS

Claude F Guerre (Chairman)
Wally A C Martin (Managing Director)
Claude Bigeard
Jay Stephenson

Roland Bartsch (resigned 26 June 2009)

COMPANY SECRETARY

Jay Stephenson

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Chairman's address

Dear Shareholder

It is with pleasure that I present the following report of the Company's activities for the year 2009.

The Company's exploration focus during the year was concentrated on the historical Mowbray area within the Woolgar project , an area of mining activity in the late 1800's and early 1900's.

The drilling campaigns identified a number of gold mineralised systems with several high grade intersections resulting from drill assays.

The Main Big vein system discovered in 2008 was further tested by a 16 hole drill program for a total of 1148 metres, in November 2009 and confirmed the potential of the area to contain additional high grade near surface deposits of gold. (Refer page 6 of this report for drill results)

The global economic meltdown of 2008/09 affected the world economy and Australia (although not affected to the same degree as many other western countries) was no exception. The gold sector of the economy has virtually remained unaffected – since October 2008 and as distinct from other commodities, has had a price rise of approximately 50%.

Gold exploration and production is therefore a good place to be involved.

The global meltdown affected share prices across the board and consequently exploration companies ability to raise exploration funds. Strategic is no exception. Diminishing working capital in 2009 restricted the Company's capacity to advance the Woolgar exploration programs at the level desired to complete the economics for mine development.

To provide the working capital required to carry targeted drill programs in 2010 the Company raised a total of $2.2 million in January 2010 which will be utilised for extensive drilling and field work. This is planned to commence following the end of the wet season in North Queensland.

On the uranium front, in 2007 Strategic transferred its South Australian interests and Woolgar uranium rights to Alpha Uranium Limited in return for 20 million shares (97%) of the issued capital of Alpha.

The future of the uranium potential of Alpha's uranium interests is currently under review, however it is expected that initial field work over the project interests will be conducted in 2010.

As announced to the ASX recently the Company entered into a letter agreement with a Canadian based company Aldershot Resources Ltd ,whereby Aldershot through satisfaction of the terms of the agreement (refer ASX release of 8 March 2010) may earn up to 70 % of Strategic's Martins Well project in South Australia.

We now have adequate working capital to conduct a high level of exploration activity in 2010, with he principal objective to define additional near surface gold reserves in the relatively unexplored Mowbray and other old mining centres within the project area and raise the gold resource inventory to 1 million ounces (from current 774,000 ounces –see table 3), thereby moving closer to mine development and gold production.

I am confident that 2010 will be a successful year for the company.

Sincerely

Claude Guerre
CHAIRMAN

REVIEW OF OPERATIONS

GOLD

Woolgar Gold Project, Queensland
Strategic Minerals Corporation N.L. (100%)

The drilling program during 2009 was concentrated on the new Big Vein / Mowbray targets and was designed to follow-up gold intersections from the limited drilling carried out in the area in 2008.

Notable intersections at Big Veins-North, Big Veins-South and Mowbray NE during 2008 had warranted follow-up to see if these areas deserve more attention in the future. The 2008 significant intersections had included:

- 5m @ 39.3g/t gold, Intersection at the new Big Vein target (MBRC0009).
- 12m @ 2.63 g/t gold, Intersection at Big Vein No. 2 target (MBRC0007).
  (Note: For further details see ASX Release for period ending 31st Dec 2008)

The 2009 drilling was carried out at the Big Veins North, Big Veins South and Mowbray NE areas to test the trends previously identified, using a track mounted drilling rig (See below).

Drilling at Mowbray commenced in November 2009 and a total of 16 reverse circulation drill holes were drilled for a total of 1148 metres. The Drill Holes ranged in depth from 50 metres to 90 metres. Eight of the holes (568 metres) were drilled at Big Veins North. Another four holes (270 metres) were drilled at Big Veins South. And another four holes (310 metres) were drilled at Mowbray NE.

The Big Vein intersections at the Big Veins North Prospect now include; 5m @ 39.3 g/t gold (2008 drilling), 10m @ 5.14 g/t gold (2009 drilling), and 7m @ 2.45 g/t gold (2009 drilling). Additionally an intersection at the Mowbray NE prospect of 17m @ 1.34 (2009 drilling), is located more than 1.5kms further to the North and is also thought to be part of the Big Vein structure. This target is now deserving of significant infill drilling to determine the extent of the gold mineralisation both along strike and down dip.

The Big Vein 2 also now has some significant intersections the most notable of which was the 12m @ 2.63 g/t (2008 drilling), however the 2009 drilling added three other significant intersections (see Figure 1). The Mowbray NE area also has significant intersections, notably the 17m @ 1.34 (2009 drilling), that is thought could be an extension of the Big Vein structure. Considering that the drill holes were widely spaced and the mineralised intersections are still open along strike and dip, all of the areas drilled during the 2009 exploration are showing significant exploration potential.

The dips of the mineralised intersections are not well understood at this stage, but are thought to be generally steeply dipping. Some of the intersections were located under Jurassic sandstone cover rocks (See Figure 1). Summary drilling results and drilling location statistics are provided in Tables 1 & 2.

Figure 1 - Summary Plan of Mowbray area showing recent drilling results.

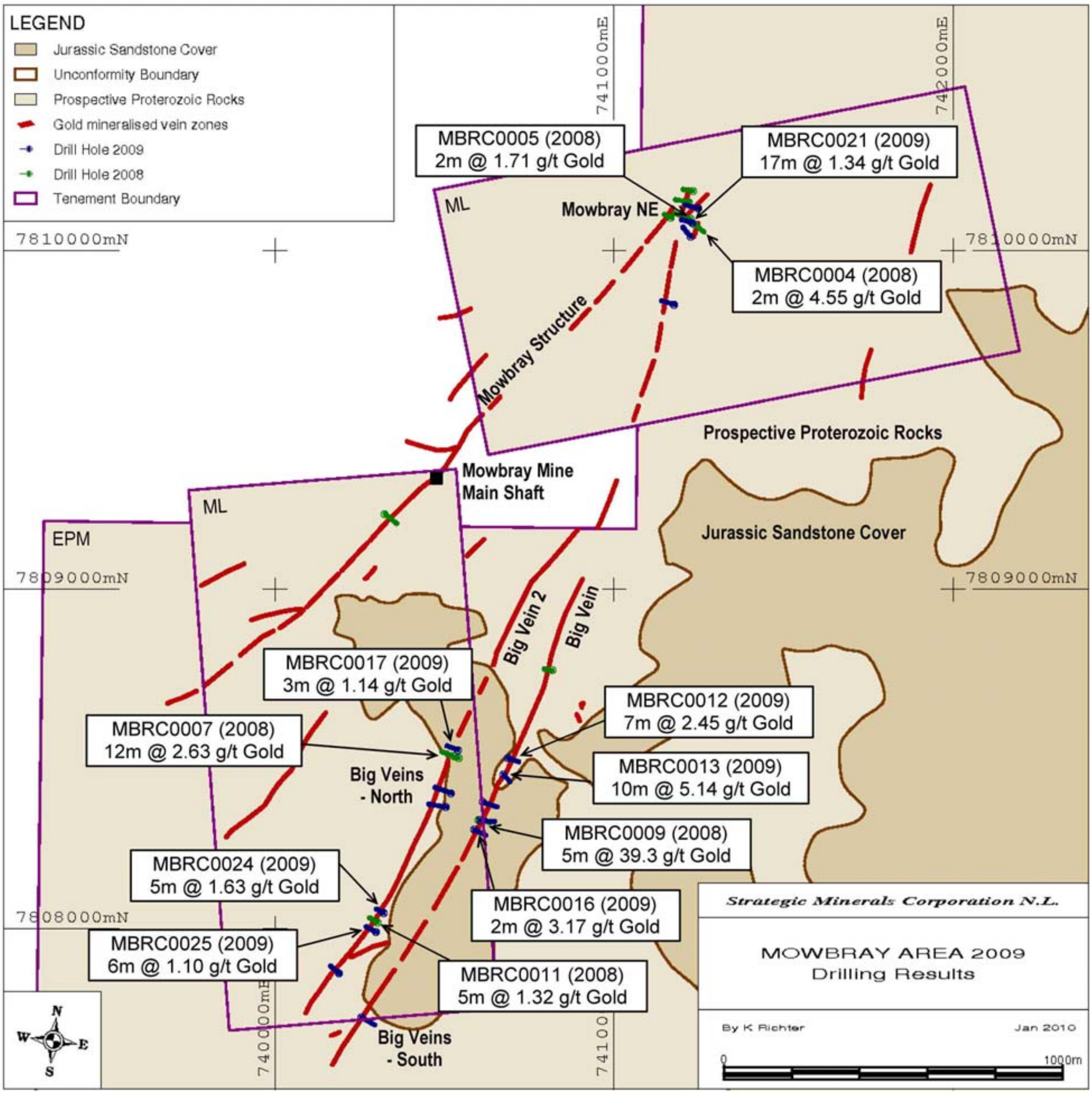


Table 1

Nov - Dec 2009 Drilling Result - significant intersections >1g/t
Mowbray - 2009 Drilling Intersections

Hole ID	Depth (m) From	Depth (m) To	Gold Intercept	Target	Notes
MBRC0012	30	37	7 m @ 2.45 g/t	Big Vein	Including 1m @ 15.1 g/t
MBRC0013	20	30	10 m @ 5.14 g/t	Big Vein	Including 2m @ 22.18 g/t
MBRC0014	47	48	1 m @ 3.53 g/t	Big Vein	
MBRC0016	30	32	2 m @ 3.17 g/t	Big Vein	
MBRC0017	14	17	3 m @ 1.14 g/t	Big Vein 2	
MBRC0021	25	42	17 m @ 1.34 g/t	Mowbray NE	Big Vein Extension?
MBRC0022	28	29	1 m @ 1.80 g/t	Mowbray NE	Big Vein Extension?
MBRC0022	33	34	1 m @ 1.11 g/t	Mowbray NE	Big Vein Extension?
MBRC0024	8	13	5 m @ 1.63 g/t	Big Vein 2	
MBRC0025	32	38	6 m @ 1.10 g/t	Big Vein 2	
MBRC0026	10	11	1 m @ 1.12 g/t	Big Vein 2	

Table 2

Nov - Dec 2009 RC Drill Program summary statistics
Mowbray - 2009 Drilling Holes

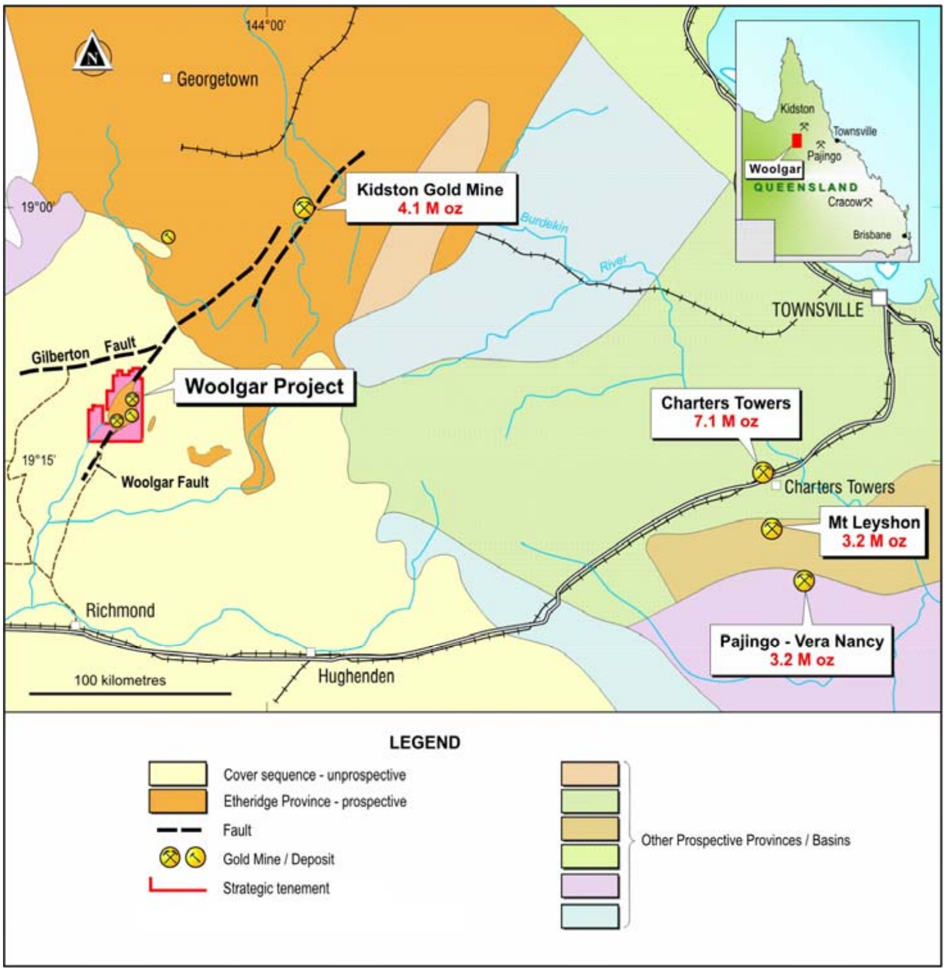
Hole ID	Easting (m)	Northing (m)	RL (m)	Dip	Azimuth	Hole Depth (m)	Target
MBRC0012	740688	7808503	411	-55	109	60	Big Vein
MBRC0013	740674	7808454	406	-55	137	50	Big Vein
MBRC0014	740613	7808373	418	-55	109	78	Big Vein
MBRC0015	740607	7808320	420	-55	97	70	Big Vein
MBRC0016	740587	7808292	422	-55	117	70	Big Vein
MBRC0017	740540	7808527	419	-55	289	60	Big Vein 2
MBRC0018	740520	7808399	419	-55	289	90	Big Vein 2
MBRC0019	740505	7808358	414	-55	279	90	Big Vein 2
MBRC0020	741250	7810123	378	-60	284	80	Mowbray NE (Big Vein Extension?)
MBRC0021	741232	7810080	385	-65	289	80	Mowbray NE (Big Vein Extension?)
MBRC0022	741225	7810041	388	-60	321	70	Mowbray NE (Big Vein Extension?)
MBRC0023	741179	7809841	383	-60	284	80	Mowbray NE (Big Vein Extension?)
MBRC0024	740321	7808045	387	-60	299	50	Big Vein 2
MBRC0025	740300	7807989	383	-60	299	70	Big Vein 2
MBRC0026	740190	7807866	383	-60	312	70	Big Vein 2
MBRC0027	740255	7807737	389	-55	119	80	Big Vein 2

Recent Exploration Summary

The company is currently targeting areas within the old Woolgar workings. Many of the old Woolgar workings areas have not been previously tested by drilling and could represent a new opportunity for the company to expand its gold resources.

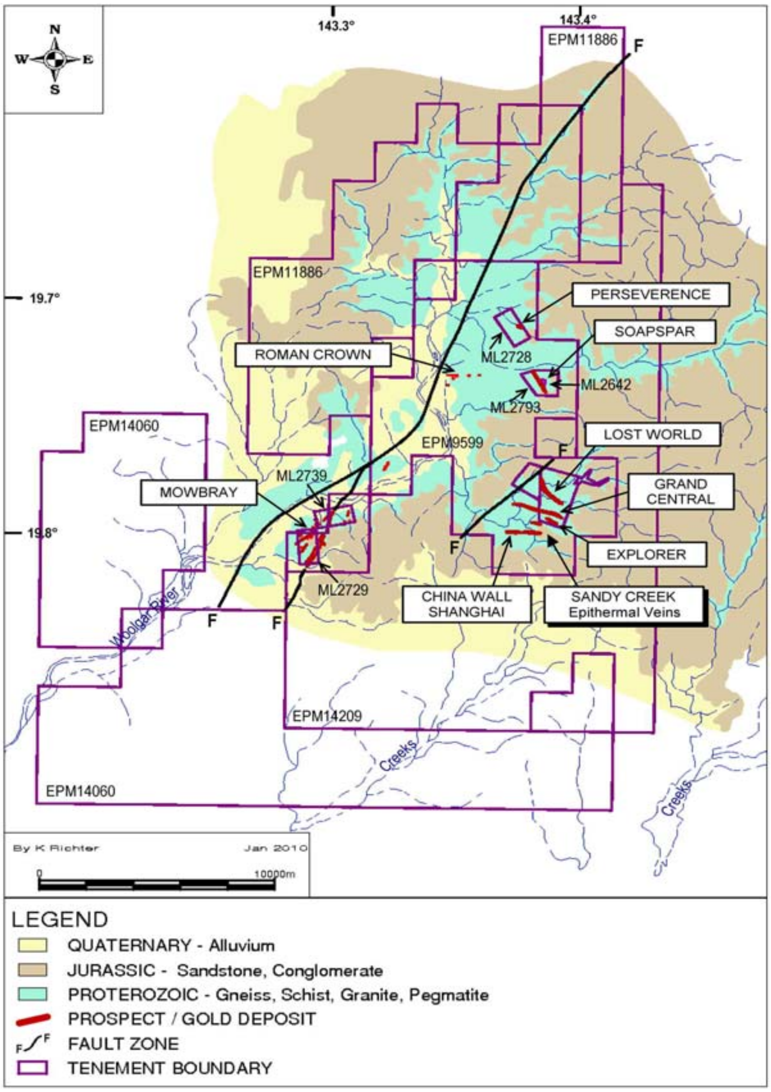
The new Big Vein / Mowbray targets are located within the historical Woolgar goldfield, approx 7.5 kms to the west of the Sandy Creek epithermal vein system which hosts the majority of the projects published 774,000 oz gold resource at an overall grade of 0.96g/t gold (total for all categories measured, indicated and inferred; as per Table 3).
The new target areas were highlighted by previous aeromagnetic and soil sampling surveys (2008), and are located to the SE and E of historical gold mines at Mowbray (Figure 3). The soil sampling programs (2008) identified significant gold anomalies over a 2.5km strike length. The soil samples were -80 mesh sieved samples collected at 20m spacing on 100m spaced lines. Reconnaissance MMI soil sampling (2008) was also conducted across the southern extensions of the mineralised Woolgar fault zone, which is blanketed by extensive alluvium and Jurassic sandstone.

Figure 2 – Woolgar Project Location



In 2008 a total of 11 shallow RC drill holes were drilled in the Mowbray area. The holes were widely dispersed designed as a first pass reconnaissance test of targets defined by surface sampling programs conducted during the year. This was then followed by the 2009 drilling program documented earlier in this report. The 2009 drilling program has successfully demonstrated that the old Woolgar workings area has significant potential that needs to be further tested and explored.

Figure 3 – Woolgar project, geology and deposit locations



Future Exploration

Following the end of the wet season in North Queensland the Company is planning to conduct a program of mapping of the outcropping gold mineralised structures in the Woolgar goldfield area to help outline further areas of future potential. It is also planned to undertake paragenetic and structural studies of the gold mineralised areas to better understand the factors important to the location of the gold mineralisation.

Co-incident and/or following the above exploration it is planned to carry out further soil sampling including MMI soil sampling. The MMI soil sampling will be used to further test for the 'blind' extensions of gold mineralisation associated with the Woolgar fault zone, where it may be masked by younger cover of alluvium and Jurassic sandstone.

Following these exploration programs it is proposed to prioritise the available drill targets both in the Woolgar Goldfield areas and for the Sandy Creek areas, with a view to creating an optimised drilling program. There is no doubt at this stage that a fair proportion of the drilling will be targeted on the Big Vein zone near Mowbray, however, the remainder of the drilling will be based on targeting priorities as established from the exploration plan shown above. The use of further geophysical techniques will also be assessed as a part of the exploration studies proposed above.

The drilling will be conducted with the objective of delineating new shallow open pitable gold mineralised positions, with the objective of increasing the gold resource base to 1 million oz's of gold (See Table 1 for the current gold resource).

Background Woolgar Gold Project

The Woolgar gold field is located 120 kilometres north of Richmond in north Queensland (Figure 2). Strategic's Woolgar project tenements, including all mining titles and exploration permits, are 100% owned and managed by Strategic.

The regional area is one with a high gold endowment. Multi-million ounce gold deposits have been developed at Kidston (4.1m oz Au), Charters Towers (7.1m oz Au), Mt Leyshon (3.2m oz Au) and Pajingo - Vera Nancy (3.2m oz Au).

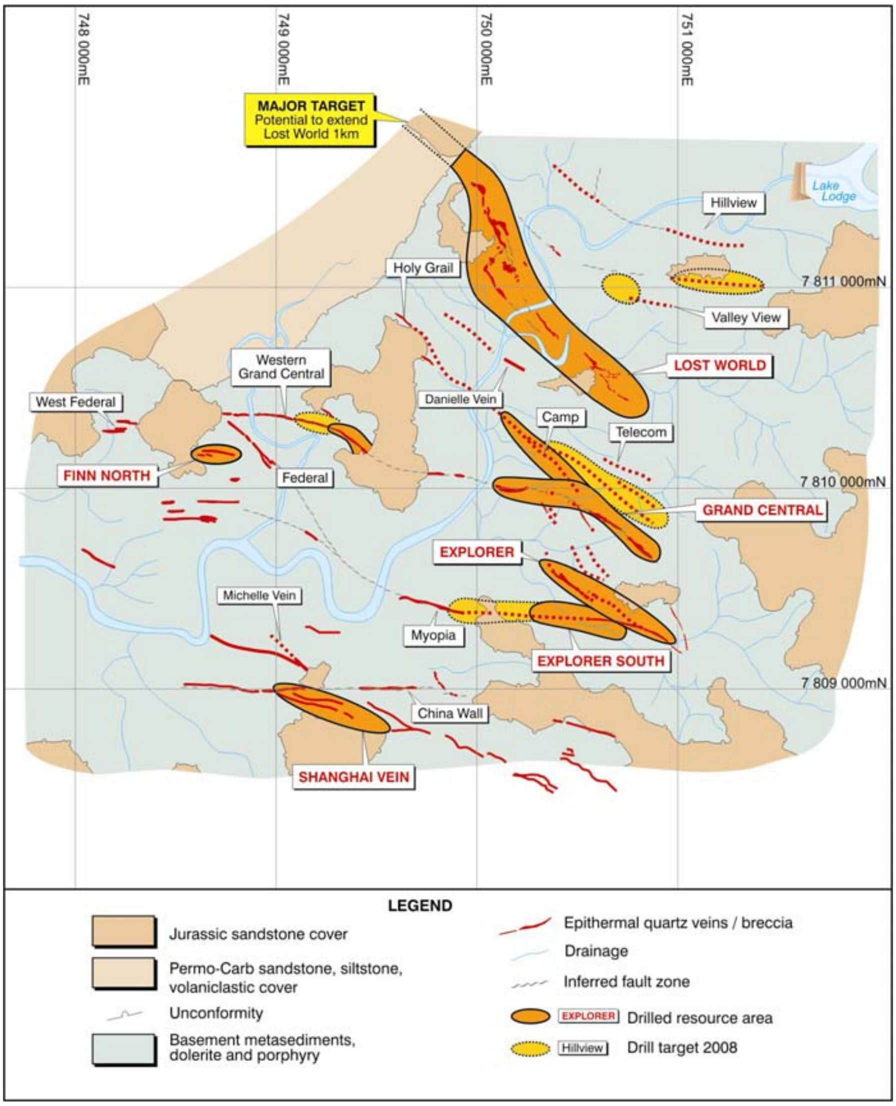
High grade epithermal gold veins were first recognised by Strategic at Woolgar in 2002, in the Sandy Creek area. The epithermal veins at Woolgar are believed to have many geological similarities to those at Pajingo, one of Australia's largest and most profitable gold mines. The majority of the high grade material at Pajingo occurs at deeper levels and was discovered by intensive deep drilling of geological targets.

The geological similarities with Pajingo, and other epithermal deposits, demonstrate a great opportunity for gold discoveries through continued drilling of the extensive Sandy Creek vein system, both near surface and at depth. Some 18km of veined structures are exposed at surface, and the gold mineralised veins have been demonstrated to extend beneath surrounding younger cover rock sequences (Figure 4).

Past and current work programs have been directed toward continued expansion of the near surface gold resource base, and development of open pit mining operations to take advantage of the high gold prices. A portion of the cash flow from surface operations will be assigned to deep resource drilling for large high grade Pajingo type targets.

More recently drilling in the old Woolgar goldfields area at Mowbray, has shown that this area also has significant gold potential. The recent drilling successes along the Woolgar fault line (at Mowbray) have given a renewed urgency to the project, as these areas could help provide the additional resources needed for the project to confidently proceed to a mining operation.

Figure 4 - Sandy Creek schematic geology & gold resource locations



Geology and Resources

The gold deposits within the Woolgar project tenements occur in two distinct areas, the Sandy Creek area and the historical Wooglar goldfield (Figure 2). Mineralised veins or fault zones in both areas are hosted within Proterozoic basement rocks exposed as 'windows' through younger relatively flat lying sedimentary cover rocks.

Past estimates for the Woolgar project including Measured, Indicated and Inferred categories put the Woolgar Project global resources at 25.16 million tonnes at 0.96 g/t gold, approximately 774,000 ounces of gold (These resource were calculated using a minimum cut-off of 0.4 g/t Au – See Table 3). Most of these resources occur near surface (0 - 100m depth) and within open pit mining depths.

The majority of these resources, approx. 679,000 ounces gold (Table 3) are hosted by the Sandy Creek low sulphidation epithermal vein system, in several mineralised shoots (Figure 4). This vein system has a very large footprint, with approximately 18km of veining exposed at surface, and clear evidence of the veins extending further beneath surrounding younger Jurassic sandstone cover rocks.

Using a higher gold cut-off grades for the Sandy Creek deposits, a smaller total resource of 10.43 million tonnes at 1.39 g/t gold has also been estimated (approximately 446,800 ounces gold). These resources were calculated using a minimum cut-off of 0.8 g/t gold for the Sandy Creek resources (See Table 3).

Additional gold mineralisation is located to the north, northwest and west of the Sandy Creek area within the historical Woolgar Goldfield, which has seen periods of mining from the late 1800’s through to the 1970’s. The numerous historical gold workings are distributed over 20km's in proximity to the Woolgar Fault zone, a major fault splay of the Gilberton fault zone, which is spatially associated with numerous gold occurrences including the Kidston gold deposit.

The only resource so far delineated by drilling within the Woolgar goldfield workings is the Soapspar deposit (approx. 95,000 ounces gold – see Table 1). However this may have been largely due to a concentration of previous drill activity around the Sandy Creek area. Additional work by Strategic now indicates that there may be significant potential yet to be tested in the old Woolgar goldfield. The recent successes at Mowbray appear to validate this, however much additional exploration is required before the additional potential of these areas can be evaluated.

Table 3 - Woolgar Project Global Resource Summary.

	Resources Estimated At Higher Cut-off Grades				Resources Estimated At Lower Cut-off Grades			
Classification	**Cut-off Grade**	**Tonnage**	**Gold Grade**	**Gold Metal**	**Cut-off Grade**	**Tonnage**	**Gold Grade**	**Gold Metal**
		T x 1000	g/t	oz's		T x 1000	g/t	oz's
SOAPSPAR DEPOSIT								
Measured	0.4	1,667	0.91	48,800	0.4	1667	0.91	48,800
Indicated	0.4	1,175	0.90	34,000	0.4	1175	0.9	34,000
Inferred	0.4	472	0.82	12,400	0.4	472	0.82	12,400
SUBTOTAL		3,314	0.89	95,200		3314	0.89	95,200
SANDY CREEK EPITHERMAL VEIN DEPOSITS								
Measured	0.8 - 1.0*	4,752	1.62	247,100	0.4 - 0.8**	12066	0.98	381,700
Indicated	0.8 - 1.0*	953	1.38	42,370	0.4 - 0.8**	5113	1.04	171,100
Inferred	0.8 - 1.0*	989	1.95	62,130	0.4 - 0.8**	4672	0.84	126,100
SUBTOTAL		7,117	1.63	351,600		21,850	0.97	678,900
TOTAL		**10,431**	**1.39**	**446,800**		**25,164**	**0.96**	**774,100**

** The majority of resources estimated at a 0.8 g/t gold cut-off grade; Explorer estimated at a 1.0 g/t cut-off grade.*
*** The majority of resources estimated at a 0.4 or 0.5 g/t gold cut-off grade; Shanghai & Finn estimated at a 0.8 g/t cut-off grade.*

Note: These resource estimates are planned to be re-evaluated during 2010 and this may result in changes to the global estimate shown above.

Other Projects

MARTINS WELL PROJECT EL 3508 South Australia

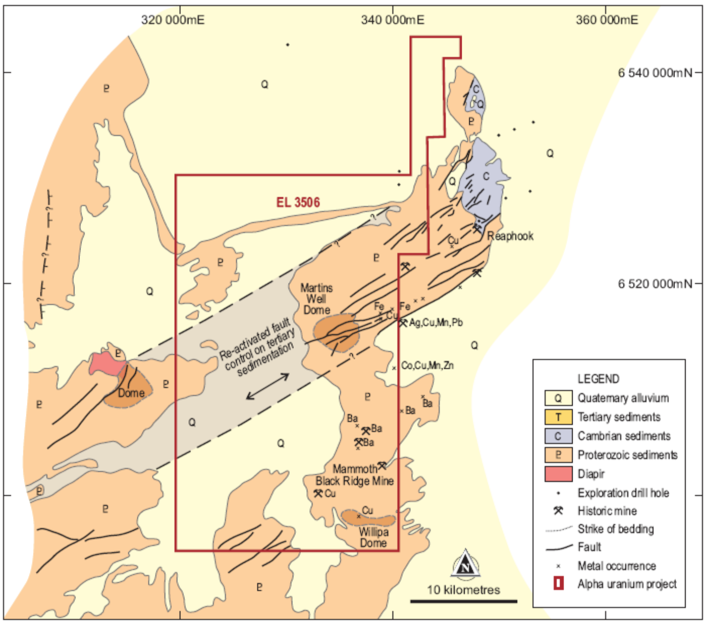
A Letter Agreement was entered into with **Aldershot Resources NL (TSX:ALZ)** of Vancouver, Canada, covering SMC's Exploration Licence 3508 ("Tenement") in South Australia. Under the terms of the Agreement Aldershot may acquire a 70% interest by expending AUD250, 000 over a period of two years. Upon the Company completing its expenditure commitment SMC and Aldershot shall associate in an unincorporated joint venture for the purpose of exploring and, if warranted, developing and mining the Tenement for minerals.

Full details of the agreement with Aldershot were announced to the ASX on 8th March 2010 and are available on the Strategic web site. www.stratmin.com.au.

Parts of the Martins Well tenement EL3508 are covered by Pleistocene to Holocene sediments at the surface.

The highest priority target is the unexplained magnetic anomaly (high, approx. 1km long) within and cutting across the core of the Willipa anticline. The apparent discordant nature and size of this anomaly suggests it may represent a large magnetite (Fe-oxide) constructive hydrothermal alteration zone, which could have associated Cu (Au-U) mineralization.

Figure 5 - Local geology of Martins Wells tenement.



The Reaphook (Zn) Deposit lies on the eastern side of the license. The Willippa Dome has a dolomitic core and has minor associated copper mineralisation. The dolomites are overlain by 200m of tillite and a 20m-50m thick ironstone unit (Holowilena Ironstone).

The initial exploration focus will be on the Willippa Dome where the Holowilena Ironstone is visible as a dominant east-west ridge at the Willippa Dome some 2 kilometres long and rising 100 to 150 metres above the surrounding area. The ridge is composed of finely laminated haematitic siltstone between 20m and 50m thick that dips to the south at 50 to 60 degrees.

Woolgar Uranium Project, Queensland

Alpha Uranium Limited (Strategics 97% subsidiary) 100%

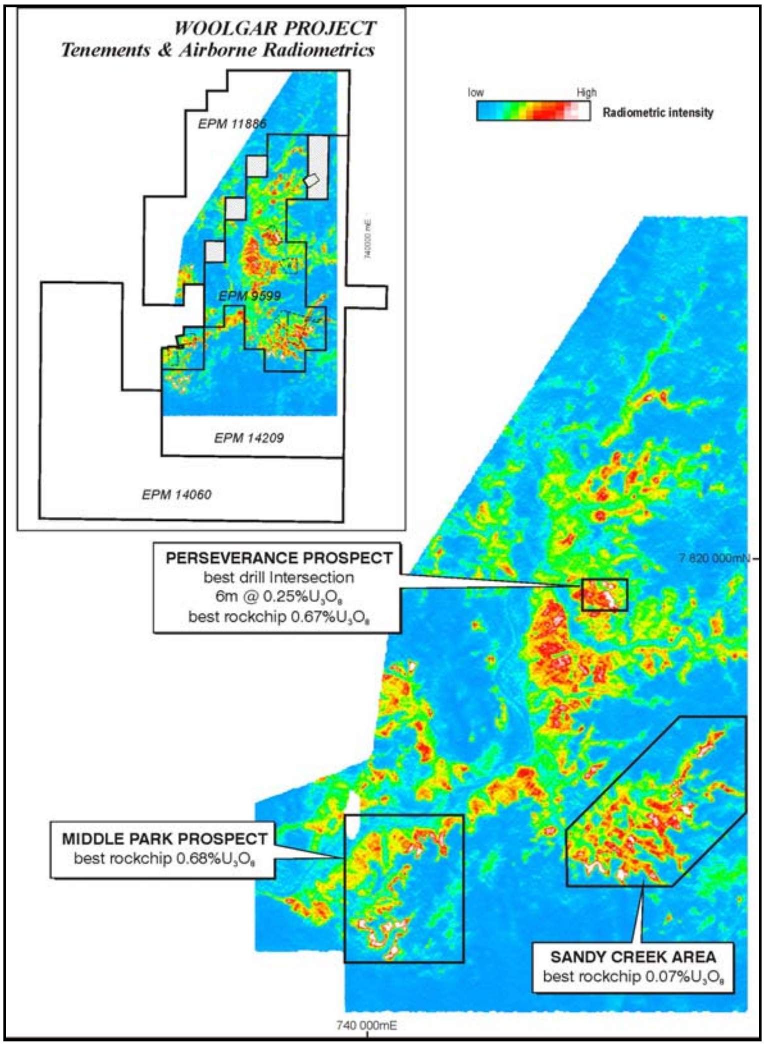
Significant uranium exploration targets are established in the Woolgar tenements. Established drill targets include partially drilled outcropping uranium occurrences at the Perseverance-Shamrock prospect where previous drilling in the 1970's defined zones of mineralisation with high grade drill intersections up to 6m @ 0.25% eU3O8; and, at the Middle Park prospect where mineralised rock chips samples returned values up to 0.67% U3O8.

The primary uranium targets in the district are numerous untested airborne radiometric (uranium channel) anomalies associated with a regionally extensive unexplored unconformity.

Unconformity-related uranium deposits constitute approximately 33% of the world's uranium resources and include some of the largest and richest deposits.

No field work was conducted over the uranium targets during the year , however data review and the future strategies for drill testing of existing targets are being considered.

Figure 6 - Airborne radiometric data (uranium channel) & uranium prospect locations.
Unconformity style uranium mineralisation targets correspond to the white areas on the image.



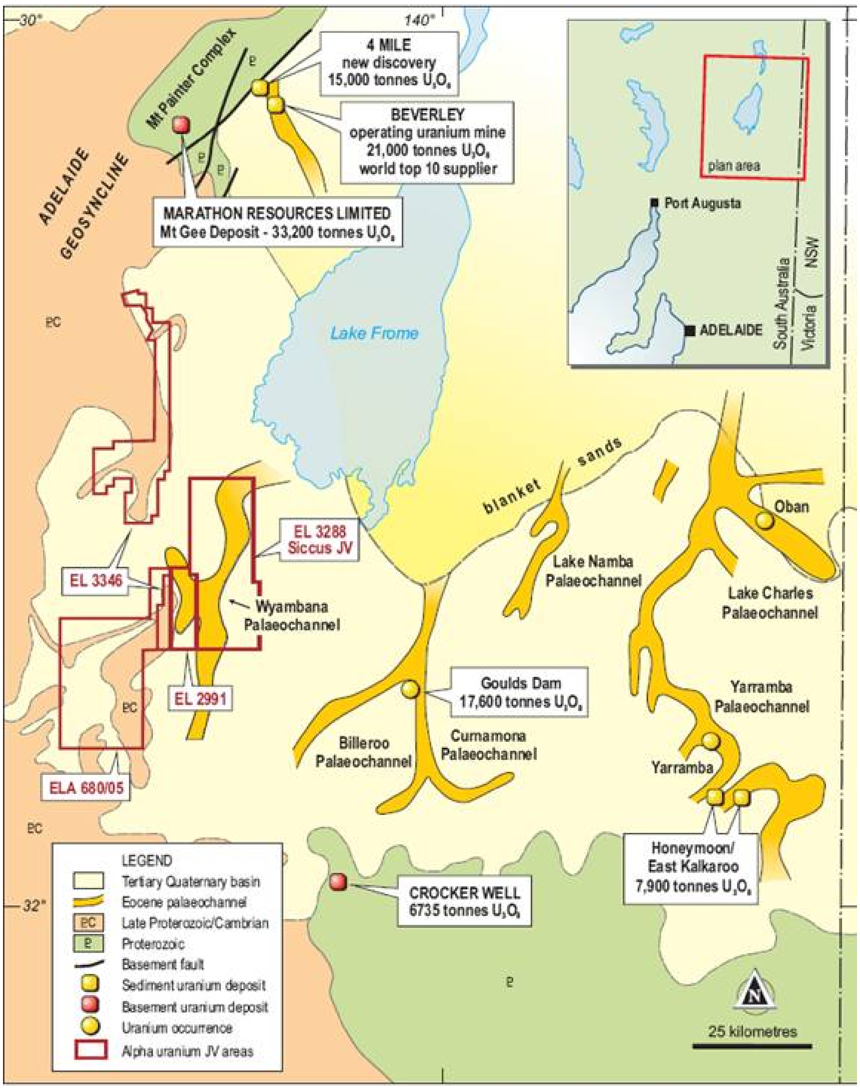
Frome Basin Projects, South Australia

Alpha Uranium Limited (Strategic 97.5 % subsidiary) 100%

The Company's Frome Basin projects consists of four tenements, Alpha has free carried interests in three of these tenements. The Martins Well project (EL3508) is however 100% owned and operated by the company.

The South Australian tenements are located in an established district of past and present producing uranium mines, close to the existing Beverly uranium mine and the identified resource at Honeymoon Well. The projects include Martins Well (Alpha Uranium Ltd 100%) and the Siccus JV managed by Manhattan Corporation Limited (Alpha 10% free carried interest to bankable feasibility).

Figure 7 - Frome Basin project areas & schematic geology.



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Note: The information in this report that relates to exploration results is based on information compiled by Strategic Mineral Corporation NL's Project Manager Mr Kevin Richter BSc. who is a member of the Australian Institute of Mining and Metallurgy. He has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration, and to the activity undertaken. He is qualified as a competent person as defined in the 2004 Edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves ". He has consented to the inclusion of this information in the form and context in which it appears. The Australian Stock Exchange has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

DIRECTORS' STATUTORY REPORT

The Directors submit the accounts of the Company and the consolidated accounts of the consolidated entity, being the Company and its controlled entities, for the year ended 31 December 2009 and report thereon as follows.

DIRECTORS

The names, qualifications, experience and special responsibilities of the Directors in office at any time during or since year-end are as follows:

Mr C F Guerre
Chairman (Non-executive Director)

Mr Claude Guerre is based in Geneva where he is President of an investment and advisory company offering financial services to private and institutional investors.

Mr Guerre has over 20 years experience as a financial analyst, chief investment officer with a leading international banking group and over 20 years experience as an investment fund manager. Since establishing his financial services company in 1987, he has acted as a financial adviser and fund manager for several banks and financial institutions in Switzerland, Luxembourg, France and Spain.

He does not have any other Australian public company directorships.

Mr W A C Martin, Dip Legal Studies
Managing Director (Executive)

Mr Wally Martin has had extensive experience at senior management level in both the Government and private enterprise sectors for over 26 years with particular emphasis in the mining industry. Mr Martin was the founding Vice-President of the Association of Mining and Exploration Companies of WA and has, since 1979, been actively involved in the private sector of the mining industry as a managing director and director of a number of public listed mining companies. Mr Martin has been Managing Director of Strategic Minerals Corporation NL since 1991.

Mr Martin also holds a directorship in Hillcrest Litigation Service Ltd, a litigation fund company in Western Australia.

Mr R Bartsch, BSc (hons) MSC – Resigned 26 June 2009
Joint Managing Director (Executive)

Mr Roland Bartsch is the Company's Joint Managing Director having managed the Woolgar project for the past four years. With over 25 years of experience in the mineral exploration and mining industry, Mr Bartsch's expertise extends from Achaean gold, proterozoic iron oxide copper-gold, epithermal gold, porphyry gold and copper, precious metal and base metal massive sulphide deposit styles of mineralisation Mr Bartsch's professional experience is global, having worked throughout the Americas, Australia, Indonesia, Solomon Islands, Greenland, Europe and Africa.

He does not have any other public company directorships.

Mr C Bigeard
Director (Non-executive)

Mr Claude Bigeard has extensive financial management and banking experience, including three years with one of the first largest Swiss Banks in Geneva and 14 years in the largest private foreign banking group in Switzerland. Since 1996, he has been the Managing Director of his asset management and financial consulting company, CB Capital Management SA in Geneva, Switzerland.

He does not have any other Australian public company directorships.

Mr Jay Stephenson MBA, CPA, CMA, FCIS, MAICD
Director (Non-executive, Appointed 8 August 2009) and Company Secretary

Mr Jay Stephenson has been involved in business development for over 20 years including the past 15 years as Director, Chief Financial Officer and Company Secretary for various listed and unlisted entities in resources, manufacturing, wine, hotels, and property. He has been involved in business acquisitions, mergers, initial public offerings, capital raisings, business restructuring as well managing all areas of finance for companies.

DIRECTORS' MEETINGS

The number of directors' meetings attended by each of the Directors of the Company who hold or held office during the financial year was:

Director (while in office)	Meetings held held	Meetings attended attended	Circular resolutions	Circular resolutions signed
C F Guerre	1	1	4	4
W A C Martin	1	1	4	4
C Bigeard	1	1	4	4
J Stephenson	1	1	4	4
R Bartsch (resigned)	1	1	2	2

DIRECTORS' INTERESTS

The relevant interests of Directors in the shares and options of the Company as at the date of this report are as follows:

Director 2009	Shares direct	Shares indirect	Options direct	Options indirect
C F Guerre	295,000	4,050,000	1,000,000	-
W A C Martin	281,690	3,404,095	1,000,000	-
C Bigeard	-	-	1,000,000	-
J Stephenson	-	132,000	-	-
R Bartsch	393,690	-	3,500,000	-

The relevant interests of Directors in the shares and options of the Company as at the date of the 2008 report were as follows:

Director 2008	Shares direct	Shares indirect	Options direct	Options indirect
C F Guerre	295,000	4,050,000	1,000,000	-
W A C Martin	281,690	2,395,323	1,000,000	-
C Bigeard	-	-	1,000,000	-
J Stephenson	-	-	-	-
R Bartsch	393,690	-	3,500,000	-

The aggregate number of shares acquired directly or indirectly by Directors during the year up to the date of this report was:

Shares	Direct	Indirect
C F Guerre	-	-
W A C Martin	-	1,008,772
Jay Stephenson	-	132,000

The Directors did not directly or indirectly acquire any options during the year up to the date of this report.

PRINCIPAL ACTIVITIES

The principal activity of the Consolidated Entity during the course of the financial year was gold and mineral exploration.

RESULTS

The net consolidated loss of the group for the year ended 31 December 2009 after providing for nil income tax was $656,316 (2008: Loss of $782,622)

DIVIDENDS

The Directors have not paid an interim dividend nor do they recommend the payment of a final dividend.

FINANCIAL POSITION

The net assets of the consolidated entity have increased by $1,707,752 to $16,044,186 from $14,336,434 as at 31 December 2009. This increase has largely resulted from the following factors:

- exploration expenditure principally incurred by the Company; and
- proceeds from share placements and an entitlements issue which raised working capital of $2,362,863 during the year.

The consolidated entity's financial position has enabled the group to limit its borrowings to internal parties and not to external financial institutions. This maintains a satisfactory working capital ratio.

The directors believe the group is in a satisfactorily stable financial position to continue its current operations.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The contributed equity of the consolidated entity increased by $2,362,863 due to share placements and an entitlement issue during the year.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 8 March 2010, the Company announced it had entered into a Letter Agreement with Aldershot Resources of Vancouver Canada covering the Company's Martin Well project. Under the terms of the Agreement Aldershot may acquire a 70% interest in the Project by spending $AUD 250,000 over a two year period.

There were no other significant events between the end of the financial year and the date of signing this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely future developments in the operations of the Consolidated Entity are referred to in the "Review of Operations".

AUDIT COMMITTEE

The Company did not establish a separate Audit Committee of the Board of Directors in 2009. Refer to the Corporate Governance Statement in this Annual Report.

DIRECTORS' SHAREHOLDINGS, CONTRACTS AND BENEFITS

The interest of each Director in the share capital of the Company at the date of this report and as contained in the register of Directors' shareholdings of the Company as shown on Note 25 of this annual report.

Since the end of the previous financial year no Director of the Company has received, or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts) by reason of a contract made by the Company with the Director or with a firm of which the Director is a member, or a Company in which the Director has a substantial financial interest, other than as disclosed in Note 25 of the accounts.

REMUNERATION REPORT (AUDITED)

The remuneration report is set out under the following main headings:

(a) Principles used to determine the nature and amount of remuneration

(b) Details of remuneration

(c) Service agreements

(d) Share-based compensation

(e) Additional information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

(a) Principles used to determine the nature and amount of remuneration

The following report determines the principles used to determine the nature and amount of remuneration. The Board is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The role also includes responsibility for share option schemes, superannuation entitlements, retirement and termination entitlements, fringe benefit policies, liability insurance policies and other terms of employment.

The Board will review the arrangements having regard to performance, relevant comparative information and at its discretion may obtain independent expert advice on the appropriateness of remuneration packages. Remuneration packages are set at levels intended to attract and retain Executives capable of managing the Company's activities.

The practices of negotiation and annual review of executive directors' performance and remuneration are carried out, in an informal way by the Managing Director who makes recommendations to the board of the Company. The Chairman of the Board who makes recommendations to the full board undertakes, in an informal way, the review of the Managing Director's performance and remuneration. There is no formal relationship between remuneration and performance due to the Company still being in the exploration phase.

The Board will meet at least annually or as required, usually on the anniversary date of each service agreement for the particular Director and or Executive. At these meetings, the particular Director and/or Executive will declare his/her interest and not vote, as well he/she will depart from the meeting, so as not to be present whilst the issue is being discussed.

The executive pay and reward framework has three components:

- base pay and benefits;
- long-term incentives through Directors options (refer note 23); and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

(b) Details of remuneration

Details of the nature and amount of each element of the emoluments of each of the key management personnel of the Company and the consolidated entity for the year ended 31 December 2009 are set out in the following tables.

	Short-term benefits		**Post-employment benefits**	**Share based payment options**	**Total**	**Options as a percentage of remuneration**
	Cash, salary & fees	**Use of motor vehicle**	**Super-annuation**			
Year 2009	**$**	**$**	**$**	**$**	**$**	**%**
Directors						
Mr W A C. Martin	94,392	20,392	62,500	-	177,284	-
Mr C F Guerre	72,000	-	-	-	72,000	-
Mr C Bigeard	48,000	-	-	-	48,000	-
Mr R D Bartsch	31,266	-	-	-	31,266	-
Company Secretary						
Mr J Stephenson	25,000	-	-	-	25,000	-
	270,658	20,392	62,500	-	353,550	
Year 2008						
Directors						
Mr W A C Martin	25,642	20,392	121,637	40,250	207,921	19.4
Mr C F Guerre	72,000	-	-	40,250	112,250	35.9
Mr C Bigeard	48,000	-	-	40,250	88,250	45.6
Mr R D Bartsch	188,201	-	-	40,250	228,451	17.6
Company Secretary:						
Mr J Stephenson *(Appointed 10 April 2008)*	17,708	-	-	-	17,708	
Mr G Tonks *(Resigned 10 April 2008)*	12,000	-	4,680	-	16,680	
	367,551	20,392	126,317	161,000	675,260	

Long term incentives are provided through the Strategic Minerals Option Plan. The issue of options is not linked to performance conditions because by setting the option price at a level above the current share price at the time the options are granted, provides incentive for management to improve the Company's performance.

Share-based compensation – Options: Further details relating to options are set out below:

Name	A. Remuneration consisting of options	B. Value at grant date $	C. Value at exercise date $	D. Value at lapse date $
Mr W A C Martin	-	-	-	-
Mr C F Guerre	-	-	-	-
Mr C Bigeard	-	-	-	-
Mr R D Bartsch	-	-	-	-

A. The percentage of the value of remuneration consisting of options, based on the value at grant date set out in column B.

B. The value at grant date calculated in accordance with AASB 2 Share-based Payment of options granted during the year as part of remuneration.

C. The value at exercise date of options that were granted as part of remuneration and were exercised during the year.

D. The value at lapse date of options that were granted as part of remuneration and that lapsed during the year.

(c) Service agreements

There are no service agreements in place for executive or non-executive Directors, rather Director remuneration is reviewed annually by the board.

(d) Share-based Compensation

Options

There were 2.5 million options on issue for shares in the Company exercisable at 20 cents each on or before 30 June 2010 in the 2007 year. During the 2008 year, the consolidated entity issued 4 million options to the Directors exercisable at 10 cents each on or before 30 June 2010.

The Black-Scholes method was used to value the 4 million options in June 2008 at $161,000 based on a Company share price of 6 cents at the time. There are no restrictions or conditions on exercising the options.
The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

Grant Date	Date Vested and exercisable	Expiry Date	Exercise Price	Value per option at grant date
6 August 2007	6 August 2007	30 June 2010	$0.20	$0.04350
28 June 2008	28 June 2008	30 June 2010	$0.10	$0.04025

Name	Grant Date		Number of options granted during the year		Number of options vested during the year		Vested %		Forfeited %	
Directors	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Mr W A C. Martin	-	28 June 2008	-	1,000,000	-	1,000,000	-	100	-	-
Mr C F Guerre	-	28 June 2008	-	1,000,000	-	1,000,000	-	100	-	-
Mr C Bigeard	-	28 June 2008	-	1,000,000	-	1,000,000	-	100	-	-
Mr R D Bartsch	-	28 June 2008	-	1,000,000	-	1,000,000	-	100	-	-

No options were exercised during the year. No other key management personnel have been issued options.

The assessed fair value at grant date of options granted to the individuals is allocated equally over the period from grant date to vesting date, and the amount is included in the remuneration tables above. Fair values at grant date are determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year ended 31 December 2009 included:

	2009	2008
Options Issued	-	4,000,000
a) consideration	-	Nil
b) exercise price	-	$0.10
c) grant date	-	28 June 2008
d) expiry date	-	30 June 2010
e) share price at grant date	-	$0.06
f) expected price volatility of Company shares	-	70%
g) expected dividend yield	-	Nil
h) risk-free interest rate	-	6.25%

Equity Instruments issued on exercise of remuneration options

There were no equity instruments issued during the period to Directors or other key management personnel as a result of options exercised that had previously been granted as compensation.

LOANS TO DIRECTORS AND EXECUTIVES

No loans have been made to Directors of Strategic Minerals Corporation NL and the specified executives of the consolidated entity, including their personally-related entities.

SHARES UNDER OPTION

Unissued ordinary shares of Strategic Minerals Corporation NL under option at the date of this report are as follows:

Date options granted	Expiry date	Exercise Price	Number under option
06/08/2007	30/06/2010	$0.20	2,500,000
28/06/2008	30/06/2010	$0.10	4,000,000
			6,500,000

No option holder has any right under the options to participate in any other share issue of the Company or of any other entity.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Strategic Minerals Corporation NL issued during or since the end of the financial year ended 31 December 2009 on the exercise of options. No further shares have been issued since that date. No amounts are unpaid on any of the shares.

LIABILITY INSURANCE

The Company, for a premium of $10,840 has taken out an insurance policy to cover its Directors and Officers to indemnify them against any claims of negligence.

ENVIRONMENTAL REGULATION

The mining leases granted to the Company pursuant to Mining Acts are granted subject to various conditions, which include standard environmental requirements. The Company adheres to these conditions and the Directors are not aware of any contraventions of these requirements.

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 the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

NON-AUDIT SERVICES

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditors experience and expertise with the company and/or consolidated entity are important.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor, as set out below to the accounts, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reason;

- None of the audit services undermine the general principles relating to auditor independence as set out in APES 110, Code of Ethics for Professional Accountants, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

	CONSOLIDATED	
During the year the following fees were paid or are payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.	**2009** **$**	**2008** **$**
Assurance services		
1. Audit Services		
BDO Audit (WA) Pty Ltd	28,000	40,100
Total remuneration for audit services	28,000	40,100
Taxation Services and Accounting Services		
BDO Corporate Tax (WA) Pty Ltd	10,056	4,941
Total remuneration for taxation services	38,056	45,041

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

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

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditors’ independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 25.

AUDITORS

The auditor, BDO Audit (WA) Pty Ltd continues in accordance with S. 327 of the Corporations Act 2001.

W A C MARTIN
Managing Director
Signed at Perth this 30th day of March 2010 in accordance with a resolution of Directors.

Tel: +8 6382 4600
Fax: +8 6382 4601
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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

30 March 2010

The Board of Directors
Strategic Minerals Corporation NL
1/460 Roberts Road
SUBIACO WA 6008

Dear Sirs,

DECLARATION OF INDEPENDENCE BY CHRIS BURTON TO THE DIRECTORS OF STRATEGIC MINERALS CORPORATION NL

As lead auditor of Strategic Minerals Corporation NL for the year ended 31 December 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
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Strategic Minerals Corporation NL and the entities it controlled during the period.

C Burton

Chris Burton
Director

BDO

BDO Audit (WA) Pty Ltd

Perth, Western Australia

CORPORATE GOVERNANCE STATEMENT
For the year ended 31 December 2009

The Board of Strategic Minerals Corporation NL, and the entities it controls, (the Company) is committed to maintaining high standards of Corporate Governance. This statement outlines the main Corporate Governance practices that where adopted or in place throughout the financial year, which comply with the ASX Corporate Governance Council recommendations, unless otherwise stated.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1: *Companies should establish the functions reserved to the board and management.*

The Board's primary responsibility is to oversee the Company's business activities and management for the benefit of shareholders.

Its functions and responsibilities include:

- Determining strategic and policy direction and monitoring performance against strategy.
- Establishing goals and monitoring performance.
- Identifying risk and opportunities for ensuring risk management systems are established and reviewed.
- Approving and monitoring financial reports, capital management, and compliance.
- Ensuring that policies and compliance systems consistent with the Company's objectives and best practice are in place and that the Company and its officers act legally, ethically and responsibly.

The Board is also governed by the Company's constitution. The day to day management of the Company's affairs and implementation of corporate strategies and policy initiatives are formally delegated by the Board to the Managing Director and senior executives.

Recommendation 1.2 *Companies should disclose the process for evaluating the performance of senior executives.*

- There are no formal processes for monitoring senior executive performance as the size of the Company permits ongoing monitoring by the board of senior executive performance.

Recommendation 1.3 *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 1.*

The evaluation of performance of senior executives has taken place throughout the year.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Recommendation 2.1: *A majority of the Board should be Independent Directors.*

Given the Company's background, nature and size of its business and the current stage of its development, the Board is comprised of four directors, two of whom are non-executive, however, only Mr Bigeard is independent. The Board believes that this is both appropriate and acceptable.

Recommendation 2.2: *The Chairperson should be an Independent Director.*

The Chairperson, Mr Claude F Guerre is not independent, as set out above, but due to his experience and expertise in areas the Company operates in, the Board considers he is suitably skilled to perform the role.

Recommendation 2.3: *The roles of the chairperson and chief executive officer should not be exercised by the same individual.*

The positions of Chairman and Managing Director are held by separate persons.

Recommendation 2.4: *The Board should establish a nomination committee.*

The Company has established a nomination committee charter, however it has not established a nomination committee at this time due to the company's background, nature and size of its business and the current stage of its development. The Board undertakes the process of determining the need for, screening and appointing new directors.

Recommendation 2.5: *Disclose the process for performance evaluation of the Board, its committees and individual Directors, and key executives.*

The Company has adopted self evaluation processes to manage Board performance. An annual review is undertaken in relation to the composition and skills mix of the Directors of the Company.

Recommendation 2.6: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 2.*

The skills and experience for the directors are set out in the company's Annual Report and on its website.

The Company has not included on its website, information on procedures for the selection and appointment of new Directors as these procedures are not formalised.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING.

Recommendation 3.1: *Establish a code of conduct to guide Directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to:*

3.1.1 The practices necessary to maintain confidence in the Company's integrity
3.1.2 The practices necessary to take into account the legal obligations and the reasonable expectations of stakeholders
3.1.3 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

The Company has adopted a Code of Conduct setting standards expected of directors, officers, employees and contractors and demonstrate the Company's commitment to conducting business in an ethical and accountable manner. Directors, officers, employees and contractors are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Adherence to the code of conduct is expected at all times and the Board actively promotes a culture of quality and integrity.

The Board monitors the implementation of the Code. Breaches are reported by employees or contractors to the Managing Director or Company Secretary.

Recommendation 3.2: *Disclose the policy concerning trading in company securities by directors, officers and employees.*

The Company has in place a trading policy, "Dealings in Company Securities Policy". A copy of the policy is provided to all directors, officers, employees and contractors.

The policy imposes basic trading restrictions on all employees of the Company with 'inside information', and additional trading restrictions on the directors of the Company.

'Inside information' is information that:
- is not generally available; and
- if it were generally available, it would, or would be likely to influence investors in deciding whether to buy or sell the Company's securities.

If an employee possesses inside information, the person must not:
- trade in the Company's securities (including the exercise of employee options);
- advise others or procure others to trade in the Company's securities; or
- pass on the inside information to others - including colleagues, family or friends - knowing (or where the employee or Director should have reasonably known) that the other persons will use that information to trade in, or procure someone else to trade in, the Company's securities.

This prohibition applies regardless of how the employee or Director learns the information (e.g. even if the employee or Director overhears it or is told in a social setting).

In addition to the above, Directors must not acquire or sell, directly or indirectly any securities (shares or options) in the Company except later than an hour after and within the period of 1 month after the release of any of the quarterly, half-yearly and yearly reports and any announcements to the ASX which may or are likely to effect the value of the company's assets in a material way, or, 1 month after the holding of the Annual General Meeting.

A Director who intends to trade in Company securities must firstly notify the Managing Director or Company Secretary so that any potential embarrassment/market misconception may be avoided if an announcement is imminent. In the event of a significant trade, all Directors should be notified as soon as possible. If the Managing Director or Company Secretary intend to trade in Company securities they must firstly notify the Chairman.

The Directors must notify the Company Secretary as soon as practicable, but not later than 5 business days, after they have bought or sold the Company's securities or exercised options. In accordance with the provisions of the Corporations Act and the Listing rules of the ASX, the Company on behalf of the Directors must advise the ASX of any transactions conducted by them in the securities of the Company.

Breaches of this policy will be subject to disciplinary action, which may include termination of employment.

The trading policy is reviewed annually.

Recommendation 3.3: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 3.*

A summary of both the Company's Code of Conduct and its Share Trading Policy are included on the Company's website.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Recommendation 4.1: *The Board should establish an audit committee.*

The Company has an audit committee charter, however it has not established an audit committee at this time. Given the small size of the board, the board as a whole perform the functions of an audit committee.

Recommendation 4.2: *Structure the Audit Committee so that it consists of:*

- *Only non-executive directors*
- *A majority of independent directors*
- *An independent chairperson, who is not chairperson of the Board*
- *At least 3 members*

Refer to Recommendation 4.1

Recommendation 4.3: *The Audit Committee should have a formal charter.*

Refer to Recommendation 4.1

Recommendation 4.4: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 4.*

Refer to Recommendation 4.1

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1: *Establish written policies and procedure designed to ensure compliance with ASX Listing Rules disclosure requirements and to ensure accountability at a senior management level for that compliance.*

The Company has a formal continuous disclosure policy. The policy requires all executives and Directors to inform the Managing Director or in his absence the Company Secretary of any potentially material information as soon as practical after they become aware of that information.

Information is material if it is likely that the information would influence investors who commonly acquire securities on the ASX in deciding whether to buy, sell or hold the Company's securities.

Information need not be disclosed only if the ASX listing rules provide for non-disclosure.

The Managing Director is responsible for interpreting and monitoring the Company's disclosure policy and where necessary informing the Board. The Company Secretary is responsible for all communications with ASX.

Recommendation 5.2: *Provide the information indicated in the ASX Corporate Governance Councils' Guide to Reporting on Principle 5.*

Disclosure is reviewed as a routine agenda item at each Board meeting.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

Recommendation 6.1: *Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.*

The Company is committed to dealing fairly, transparently and promptly with shareholders. The Board aims to ensure that the shareholders are informed of all major developments.

The annual report is distributed to all shareholders who have specifically requested the document. In addition, the Company makes all ASX announcements, details of shareholder meetings and financial reports available on the Company's website.

Half-year financial reports prepared in accordance with the requirements of Accounting Standards and the Corporations Act 2001 are lodged with the Australian Securities and Investments Commission and the Australian Securities Exchange. The financial reports are sent to any shareholder who requests them and quarterly reports are submitted to the ASX under the requirements of the Exchange relating to mining companies. Copies of the quarterly reports are sent to shareholders whenever sufficient new information in the report warrants distribution.

Recommendation 6.2: *Provide the information indicated in the ASX Corporate Governance Councils' Guide to Reporting on Principle 6.*

The Company effectively communicates with shareholders via ASX announcements and newsletters.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Recommendation 7.1: *The Board or appropriate committee should establish policies on risk oversight and management of material business risks and disclose a summary of those policies.*

The Board is responsible for the oversight of the Company's risk management and control framework. Responsibility for control and risk management is delegated to the appropriate level. The Risk Management Policy is reviewed annually. A copy of the Risk management policy is available on the Company's website.

Recommendation 7.2: *The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as tot the effectiveness of the company's management of its material business risks.*

The Company is not of size to allow this recommendation to be followed. The Board is responsible for the design and implementation of risk management and internal control systems.

Recommendation 7.3: *The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a system of risk management and internal control and that the system is operating effectively in all material respects in relation to the financial reporting risks.*

The Company's Managing Director and Chief Financial Officer provide this statement.

Recommendation 7.4: *Provide the information indicated in the ASX Corporate Governance Council's Guide to reporting on Principle 7.*

A description of the Company's risk oversight and management policy and internal compliance and control system is included on the Company's website.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1: *The Board should establish a remuneration committee.*

The Company has a charter for a remuneration committee however, a committee has not been established at this time. Given the small size of the board, the entire board perform the functions of the remuneration committee.

Recommendation 8.2: *Clearly distinguish the structure of non-executive Directors' remuneration from that of executives.*

The Company outlines the structure of remuneration of non-executive Directors and executives of the Company in the Remuneration report in the annual report.

Recommendation 8.3: *Provide the information indicated in the ASX Corporate Governance Council's Guide to Reporting on Principle 8*

Refer to Recommendation 8.1 in relation to the remuneration committee.

Refer to the Remuneration report in this Annual Report in relation to the superannuation payments to directors. The Company does not have a superannuation scheme for its employees.

STATEMENTS OF COMPREHENSIVE INCOME
For the year ended 31 December 2009

	Notes	*Consolidated Entity*		*Parent Entity*	
		2009	**2008**	**2009**	**2008**
		$	**$**	**$**	**$**
Revenue from continuing operations	6	**22,287**	**129,396**	**22,240**	**100,366**
Administration expense	7	(355,920)	(439,009)	(352,498)	(419,820)
Depreciation and amortisation expense		(27,923)	(30,682)	(27,923)	(30,682)
Employee benefit expense		(237,612)	(227,662)	(237,612)	(227,662)
Finance Costs		(5,295)	(1,611)	(5,295)	-
Lease expense		(51,853)	(52,055)	(51,853)	(52,055)
Options issue expense		-	(161,000)	-	(161,000)
Provision for non recovery of loans and receivables		-	-	22,626	(95,139)
Loss before income tax		(656,316)	(782,622)	(630,315)	(885,993)
Income tax expense	9	-	-	-	-
Loss for the year		**(656,316)**	**(782,622)**	**(630,315)**	**(885,993)**
Other comprehensive income for the year		**-**	**-**	-	-
Total comprehensive income for the year		(656,316)	(782,622)	(630,315)	(885,993)
Profit / (loss) attributable to:					
Equity holders of Company		(656,224)	(782,711)	(630,315)	(885,993)
Non Controlling Interest		(92)	89	-	-
		(656,316)	(782,622)	(630,315)	(885,993)
Earnings per share attributable to the ordinary equity holders of the Company		**Cents**	**Cents**		
Basic (loss) per share	10	(0.23)	(0.30)		

Where diluted earnings per share are anti dilutive, they are not disclosed

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

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2009

	Notes	*Consolidated Entity*		*Parent Entity*	
		2009	**2008**	**2009**	**2008**
		$	**$**	**$**	**$**
ASSETS					
Current assets					
Cash and cash equivalents	11	2,563,503	764,493	2,493,131	691,618
Trade and other receivables	12	65,950	69,910	64,657	67,926
Total current assets		2,629,453	834,403	2,557,788	759,544
Non current assets					
Other financial assets	13	65,513	65,513	65,513	65,513
Property, plant & equipment	14	75,857	103,029	75,857	103,029
Mineral exploration & evaluation expenditure	15	13,768,964	13,466,169	12,944,837	12,644,149
Other non-current assets	16	11,051	11,051	10,537	10,537
Total non current assets		13,921,385	13,645,762	13,096,744	12,823,228
TOTAL ASSETS		**16,550,838**	**14,480,165**	**15,654,532**	**13,582,772**
LIABILITIES					
Current liabilities					
Trade and other payables	17	416,279	50,245	415,701	49,666
Borrowings	17	14,596	29,429	14,596	29,429
Provisions	18	75,777	54,755	75,777	54,755
Total current liabilities		506,652	134,429	506,074	133,850
Non current liabilities					
Borrowings	17	-	9,302	-	33,012
Total non current liabilities		-	9,302	-	33,012
TOTAL LIABILITIES		**506,652**	**143,731**	**506,074**	**166,862**
NET ASSETS		**16,044,186**	**14,336,434**	**15,148,458**	**13,415,910**
EQUITY					
Contributed equity	19	36,511,574	34,148,711	36,511,574	34,148,711
Non controlling interest	20	2,824	1,619	-	-
Reserves	21	3,242,272	3,242,272	3,242,274	3,242,274
Accumulated losses	22	(23,712,484)	(23,056,168)	(24,605,390)	(23,975,075)
TOTAL EQUITY		**16,044,186**	**14,336,434**	**15,148,458**	**13,415,910**

The above statements of financial position should be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 December 2009	Contributed equity	Share based payments reserve	Accumulated Losses	Total	Non Controlling Interest	Total Equity
	$	$	$	$	$	$
Balance at 1 January 2008	32,819,065	3,066,671	(22,273,457)	13,612,279	1,530	13,613,809
Changes in the fair value of available-for-sale financial assets net of tax				-		-
Loss for the year			(782,711)	(782,711)	89	(782,622)
Total comprehensive loss for the year	-	-	(782,711)	(782,711)	89	(782,622)
Transactions with owners in their capacity as owners:						
Employee share options – value of employee services		175,601		175,601		175,601
Contributions of equity, net of transaction costs	1,329,646			1,329,646		1,329,646
Balance at 31 December 2008	34,148,711	3,242,272	(23,056,168)	14,334,815	1,619	14,336,434
Balance at 1 January 2009	34,148,711	3,242,272	(23,056,168)	14,334,815	1,619	14,336,434
Changes in the fair value of available-for-sale financial assets net of tax				-		-
Loss for the year			(656,224)	(656,224)	(92)	(656,316)
Total comprehensive loss for the year	-	-	(656,224)	(656,224)	(92)	(656,316)
Transactions with owners in their capacity as owners:						
Non controlling interest			(92)	(92)	1,297	1,205
Employee share options – value of employee services				-		-
Contributions of equity, net of transaction costs	2,362,863			2,362,863		2,362,863
Balance at 31 December 2009	**36,511,574**	**3,242,272**	**(23,712,484)**	**16,041,362**	**2,824**	**16,044,186**

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

STATEMENT OF CHANGES IN EQUITY OF PARENT ENTITY

As at 31 December 2009	**Contributed equity**	**Share based payments reserve**	**Accumulated Losses**	**Total Equity**
	$	**$**	**$**	**$**
Balance at 1 January 2008	32,819,065	3,066,670	(23,089,082)	12,796,653
Loss for the year			(885,993)	(885,993)
Total comprehensive loss for the year	-	-	(885,993)	(885,993)
Transactions with owners in their capacity as owners:				
Employee share options – value of employee services		175,604		175,604
Contributions of equity, net of transaction costs	1,329,646			1,329,646
Balance at 31 December 2008	34,148,711	3,242,274	(23,975,075)	13,415,910
Balance at 1 January 2009	34,148,711	3,242,274	(23,975,075)	13,415,910
Loss for the year			(630,315)	(630,315)
Total comprehensive loss for the year	-	-	(630,315)	(630,315)
Transactions with owners in their capacity as owners:				
Employee share options – value of employee services				
Contributions of equity, net of transaction costs	2,362,863			2,362,863
Balance at 31 December 2009	**36,511,574**	**3,242,274**	**(24,605,390)**	**15,148,458**

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

STATEMENTS OF CASH FLOWS
For the year ended 31 December 2009

	Notes	*Consolidated Entity*		*Parent Entity*	
		2009	**2008**	**2009**	**2008**
		$	**$**	**$**	**$**
Cash flow from operating activities:					
Payments to suppliers & employees		(308,043)	(735,513)	(306,515)	(716,612)
Interest received		22,287	129,396	22,240	100,366
Net cash outflow from operating activities	26(i)	(285,756)	(606,117)	(284,275)	(616,246)
Cash flow from investing activities:					
Investment and loan to Alpha Uranium		-	-	-	(95,139)
Purchase of property, plant, equipment		(750)	(2,556)	(750)	(2,556)
Payments for deferred exploration expenditure		(302,795)	(1,108,148)	(300,688)	(1,031,222)
Purchase of investments		-	(65,235)	-	(65,235)
Net cash outflow from investing activities		(303,545)	(1,175,939)	(301,438)	(1,194,152)
Cash flow from financing activities:					
Borrowing costs		-	(1,611)	-	-
Proceeds from issue of shares		2,412,446	1,329,646	2,412,446	1,329,646
Repayments of borrowings		(24,135)	-	(25,220)	-
Net cash inflow from financing activities		2,388,311	1,328,035	2,387,226	1,329,646
Net increase / (decrease) in cash held		1,799,010	(454,021)	1,801,513	(480,752)
Cash and cash equivalents at the beginning of the period		764,493	1,218,514	691,618	1,172,370
Cash and cash equivalents at the end of period	26(ii)	**2,563,503**	**764,493**	**2,493,131**	**691,618**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 1 GENERAL INFORMATION

Strategic Minerals Corporation NL (the Company or Parent Entity) is a limited company incorporated and domiciled in Australia. The addresses of its registered office and principal place of business are disclosed on page 2 of this report. The principal activities of the Company and its subsidiaries are the exploration and evaluation of mineral wealth in various areas of interest.

NOTE 2 AUSTRALIAN INTERNATIONAL FINANCIAL REPORTING STANDARDS

From 1 January 2009 the Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 January 2009. Adoption of these standards and interpretations did not have any effect on the financial position or performance of the Group. However, the adoption of AASB 8 *Operating Segments* has caused the Group to revise its segment reporting.

- AASB 2 Revised Vesting Conditions and Cancellations
- AASB 8 Operating Segments
- AASB 101 Revised Presentation of Financial Statements

The following amending standards have also been adopted from 1 January 2009:

- AASB 2007-3 Amendments to Australian Accounting Standards arising out from AASB 8.
- AASB 2007-8 Amendments to Australian Accounting Standards arising out from AASB 101.
- AASB 2008-1 Amendments to Australian Accounting Standards Share based Payments: Vesting Conditions and Cancellations.

Compliance with IFRS
Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the consolidated financial statements and notes of Strategic Minerals Corporation NL comply with International Financial Reporting Standards (IFRS).

Critical accounting estimates
The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001.*

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements include separate financial statements for Strategic Minerals Corporation NL as an individual entity and the consolidated entity consisting of Strategic Minerals Corporation NL and its subsidiaries. The policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

Historical cost convention
These financial statements have been prepared on the historical cost basis.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Strategic Minerals Corporation NL (''company'' or ''parent entity'') as at 31 December 2009 and the results of all subsidiaries for the year then ended. Strategic Minerals Corporation NL and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Joint ventures

The proportionate interests in the assets, liabilities and expenses of a joint venture operation have been incorporated in the financial statements under the appropriate headings.

(c) Segment reporting

This is the first time the Group has adopted AASB8 Operating Segments. The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a regular basis. Management has identified the operating segments based on the main minerals of the members of the Group. The two main mineral types of the Group are Uranium and Gold. The Uranium projects are held within the subsidiary Alpha Uranium Pty Ltd and the Gold Projects are held in Strategic Minerals Corporation NL.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

(e) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(f) Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cashflows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(h) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off against the receivable directly unless a provision for impairment has previously been recognised. A provision for doubtful receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income as part of other expenses.

Evidence of impairment may include indications that the customer is experiencing significant financial difficulty, where debt collection procedures have been commenced, there is a fair probability that the customer will be put into administration or liquidation, or where balances are outstanding for more than 7 days. Receivables are determined to be uncollectible only when there is no expectation of recovering any additional cash. This may occur when a final distribution has been made from administrators/liquidators, or where unsuccessful attempts have been made to recover the debt through legal actions or debt collection agencies and the prospect of recovering any additional cash is remote.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments

Financial Instruments are initially recognised at fair value plus transaction costs. Subsequent to initial recognition they are measured as follows:

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available for sale financial assets are measured at fair value.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments are not reversed through the statement of comprehensive income.

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair values of quoted financial assets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities) the group establishes fair value by using a variety of valuation techniques. Where the fair value of a financial asset cannot be reliably measured, it will be measured at cost.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(j) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight line method to allocate their cost or re-valued amounts, net of their residual values, over their estimated useful lives, as follows:

-	Machinery	10-15 years
-	Vehicles	3-5 years
-	Furniture, fittings and equipment	3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 3(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are classified as financial liabilities. Financial liabilities are measured at amortised cost using the effective interest method.

(l) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

(m) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's outstanding borrowings during the year.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

(o) Employee benefits

(i) Wages and salaries, annual leave and sick leave
Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave is expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave
Any liability for employee benefits relating to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date.

(iii) Share-based payments
Share-based compensation benefits are provided to employees via the Strategic Minerals Corporation NL Employee Option Plan. Information relating to this Plan is set out in note 23.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

The fair value of options granted under the Strategic Minerals Corporation NL Employee Option Plan is recognised as an employee benefit expense with a corresponding increase in equity (share-based payments reserve). The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are not included in the cost of the acquisition as part of the purchase consideration.

(q) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.
(ii) Diluted earnings per share
Potential shares as a result of options outstanding at the end of the year are not dilutive and therefore have not been included in the calculation of diluted earnings per share.

(r) Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 3 SIGNIFICANT ACCOUNTING POLICIES (continued)

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

(t) New accounting standards and interpretations

The following Australian Accounting Standards and interpretations have been issued or amended and are applicable to the parent and consolidated group but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material financial impact on the financial statements of the parent or the consolidated entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB 3 (reissued March 2008)	Business Combinations	Released as part of long term international convergence project between IASB and FASB. The revised standard introduces more detailed guidance on accounting for step acquisitions, adjustments to contingent consideration, assets acquired that the purchaser does not intend to use, reacquired rights and share-based payments as part of purchase consideration. Also, all acquisition costs will have to be expensed instead of being recognised as part of goodwill.	Business combinations where the acquisition date is on or after the beginning of the first reporting period that commences 1 July 2009 or later	As there is no requirement to retrospectively restate comparative amounts for business combinations undertaken before this date, there is unlikely to be any impact on the financial statements when this revised standard is first adopted. However, due to the nature of some of the changes in the revised standard, business combinations that the entity undertakes after this date may in future impact negatively on the results of the entity. For example, acquisition costs will have to be expensed instead of being recognised as part of the acquisition. Specific changes in respect of step acquisitions and sell downs may introduce situations whereby adopting the revised standard may improve profitability. Also, deferred tax assets that do not satisfy recognition criteria when a business combination is initially accounted for, but do subsequently qualify for recognition post acquisition date, will be recognised as a credit to the profit or loss and there will be no consequential write-down of goodwill for a similar amount, provided that the deferred tax assets are recognised outside the initial measurement period of 12 months from acquisition date.
AASB 127 (reissued March 2008)	Consolidated and Separate Financial Statements	The revised standard clarifies that changes in ownership interest which result in control being retained are accounted for within equity as transactions with owners. Losses will be attributed to the non-controlling interest even if this results in a debit	Periods commencing on or after 1 July 2009	As there is no requirement to retrospectively restate the effect of these revisions, there is unlikely to be any impact on the financial statements when this revised standard is first adopted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
		balance for the non-controlling interest. Investments retained where there has been a loss of control will be recognised at fair value at date of sale.		
AASB 2008-3 (issued March 2008)	Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127	Makes consequential amendments to 20 standards and 2 interpretations arising from the reissue of AASB 3 and AASB 127, including to AASB 128: Investments in Associates and AASB 131: Interests in Joint Ventures. When an investment ceases to be an associate or jointly controlled entity and is subsequently accounted for under AASB 139, the fair value of the investment at the date when it ceases to be an associate or jointly controlled entity is its fair value.	Periods commencing on or after 1 July 2009	As there is no requirement to retrospectively restate the effect of these revisions, there is unlikely to be any impact on the financial statements when this revised standard is first adopted. However, in future, if the group loses significant influence over associates or joint control in jointly controlled entities which are equity accounted, at that date such investments are recognised at fair value rather than at the carrying value of the equity accounted investment. Where the fair value of such investments exceed the equity accounted carrying amounts, this could result in a significant increase in earnings in the period when significant influence or joint control is lost. There will also be a number of additional/amended disclosures.
AASB 2008-6 (issued July 2008)	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project	If a parent entity is committed to a sale plan involving loss of control of a subsidiary that meets the criteria for classification as held-for-sale under AASB 5, all the assets and liabilities of that subsidiary must be classified as held for sale.	Periods commencing on or after 1 July 2009	There will be no impact as these requirements are only required to be applied prospectively to situations where there is a plan involving loss of control in annual periods commencing on or after 1 July 2009.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB Interpretation 17 (issued December 2008)	Distribution of Non-cash Assets to Owners	Provides guidance on the appropriate accounting for distributions of non-cash assets to owners as follows: • When to recognise a dividend payable; • How to measure the dividend payable; and • What happens to the difference between the carrying amount of the asset distributed and the dividend payable.	Periods commencing on or after 1 July 2009	There will be no impact as these requirements are only required to be applied prospectively to annual periods commencing on or after 1 July 2009, i.e. 1 January 2010.
AASB 2008-13 (issued December 2008)	Amendments to Australian Accounting Standards Arising From AASB Interpretation 17 – Distributions of Non-Cash Assets to Owners	Clarifies that the classification, presentation and measurement requirements of AASB 5 also apply to non-current assets (or disposal groups) that are classified as held-for-distribution to owners acting in their capacity as owners. Non-current assets (or disposal groups) are classified as held-for-distribution when the entity is committed to distribute the asset (or disposal group) to owners, i.e. the assets must be available for immediate distribution in their present	Periods commencing on or after 1 July 2009	There will be no impact as these requirements are only required to be applied prospectively to annual periods commencing on or after 1 July 2009, i.e. 1 January 2010.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
		condition and the distribution must be highly probable.		
AASB Interpretation 18 (Issued March 2009)	Transfers of Assets from Customers	Provides guidance on the accounting for transfers of items of property, plant and equipment from a customer that the entity must then use to either connect the customer to a network or to provide the customer with ongoing access to a supply of goods, services, or to do both.	Periods commencing on or after 1 July 2009	There will be no impact as these requirements are only required to be applied prospectively to transfers of assets from customers received on or after 1 July 2009.
AASB 2009-8 (issued July 2009)	Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions	Clarifies the scope and accounting for group cash-settled share-based payment transactions in the individual financial statements of an entity receiving the goods/services when that entity has no obligation to settle the share-based payment transaction. Supersedes Interpretation 8 *Scope of AASB 2* and Interpretation 11 AASB 2 – *Group and Treasury Share Transactions.*	Periods beginning on or after 1 January 2010	There will be no impact as there are no share-based payment transactions where the entity receives goods or services with no corresponding obligation to settle the share-based payment transaction.
AASB 9 (issued December 2009)	Financial Instruments	Amends the requirements for classification and measurement of financial assets	Periods beginning on or after 1 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 31 December 2013 year end, the entity has not yet made an assessment of the impact of these amendments.
AASB Interpretat	Extinguishing Financial	Equity instruments issued to a creditor to	Periods beginning on	There will be no impact as the entity has not undertaken any debt for equity

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
ion 19 (issued December 2009)	Liabilities with Equity Instruments	extinguish all or part of a financial liability are 'consideration paid' to be recognised at the fair value of the equity instruments issued, unless their fair value cannot be measured reliably, in which case they are measured at the fair value of the debt extinguished. Any difference between the carrying amount of the financial liability extinguished and the 'consideration paid' is recognised in profit or loss.	or after 1 July 2010	swaps.
AASB 2009-5 (issued May 2009)	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process	Not urgent but necessary changes to AIFRSs as a result of the IASB's 2008 annual improvement process.	Periods commencing on or after 1 January 2010	Please refer to Appendix B to this template for example disclosures for the impact on initial application. You should select from Appendix B for disclosure in this section, only items that are likely to impact your client on initial application on 1 January 2010. That is, if the issue does not impact your client now, there is no need to include it in this disclosure unless it is likely to impact your client from 1 January 2010.
AASB 136	Impairment of Assets	Clarifies that CGUs to which goodwill is allocated cannot be larger than an operating segment as defined in AASB 8 Operating Segments before aggregation.	Periods commencing on or after 1 January 2010	There will be no impact as these requirements are only required to be applied prospectively to goodwill impairment calculations for periods commencing on or after 1 January 2010.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 4 FINANCIAL RISK MANAGEMENT

Risk management has focused on limiting liabilities to a level which could be extinguished by sale of assets if necessary.

The Group's activities expose it to a variety of financial risks; market risk (including fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group is engaged in mineral exploration and evaluation, and does not currently sell product and derives only limited revenue from interest earned.

Risk management is carried out by the board as a whole and no formal risk management policy has been adopted but is in the process of development.

The Group and the parent entity hold the following financial instruments:

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Financial assets				
Cash and cash equivalents	2,563,503	764,493	2,493,131	691,618
Trade and other receivables	65,950	69,910	64,657	67,926
Other financial assets	65,513	65,513	65,513	65,513
	2,694,966	899,916	2,623,301	825,057
Financial liabilities				
Trade and other payables	416,426	50,245	415,701	49,666
Borrowings	14,596	38,731	14,596	62,441
	431,022	88,976	430,297	112,107

(a) Market risk

(i) Price risk
The Group is currently exposed to equity securities by way of shares held in listed companies. The price risk for listed securities is immaterial in terms of the possible impact on profit or loss or total equity as a result of any increase/decrease in the price of traded securities. The Group is not currently exposed to commodity price risk.

(ii) Fair value interest rate risk
Refer to (d) below.

(b) Credit risk

Credit exposure represents the extent of credit related losses that the Group may be subject to on amounts to be received from financial assets. Credit risk arises principally from trade and other receivables including inter company loans. The objective of the consolidated entity is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Group trades only with creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is insignificant.

The Group's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 4 FINANCIAL RISK MANAGEMENT (continued)

The credit quality of the financial assets is high in 2009 and medium to high in 2008. The table below details the credit quality of the financial assets:

	Credit Quality	*Consolidated Entity* 2009 $	*Consolidated Entity* 2008 $	*Parent Entity* 2009 $	*Parent Entity* 2008 $
Financial assets					
Cash and cash equivalents					
- held at National Australia Bank	high	2,563,503	764,493	2,493,131	691,618
Trade and other receivables					
- Interest and GST receivable	high	38,075	60,452	36,782	58,468
- Prepayment of insurance and rent	high	23,521	9,458	23,521	9,458
- Sundry receivables	medium	4,354	-	4,354	-

(c) Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due. The objective of the consolidated entity is to maintain sufficient liquidity to meet commitments under normal and stressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities. Due to the lack of material revenue, the Group aims at maintaining flexibility in funding by maintaining adequate reserves of liquidity.

The Group did not have access to any undrawn borrowing facilities at the reporting date.

(d) Cash flow and fair value interest rate risk

From time to time the Group has significant interest bearing assets, but they are as a result of the timing of equity raising and capital expenditure rather than a reliance on interest income. The interest rate risk arises on the rise and fall of interest rates. The Group's income and operating cash flows are not expected to be materially exposed to changes in market interest rates in the future and the exposure to interest rates is limited to the cash and cash equivalents balances. As such, this is not considered a material exposure and no sensitivity analysis has been prepared.

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is below.

2009	*Floating interest rate*	*Fixed interest maturing in 1 year or less*	*Non-interest bearing*	*Total*
Financial assets				
Cash and deposits	83,925	2,479,578	-	2,563,503
Receivables	-	-	65,950	65,950
	83,925	2,479,578	65,950	2,629,453
Weighted average interest rate	1.5%	4.53%		
Financial Liabilities				
Trade and other creditors	-	-	416,279	416,279
Hire Purchase	-	14,596	-	14,596
	-	14,596	416,279	430,875
Weighted average interest rate		8.8%		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 4 FINANCIAL RISK MANAGEMENT (continued)

2008				
Financial assets				
Cash and deposits	140,696	623,797	-	764,493
Receivables	-	-	69,910	69,910
	140,696	623,797	69,910	834,403
Weighted average interest rate	2.0%	6.55%	-	-
Financial Liabilities				
Trade and other creditors	-	-	50,245	50,245
Hire Purchase	-	38,731	-	38,731
	-	38,731	50,245	88,976
Weighted average interest rate		8.8%		

(e) Financial risk management

The Company's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable, loans to and from subsidiaries, leases and hire purchase for motor vehicles. The main purpose of non-derivative financial instruments is to raise finance for Company operations. The Company does not speculate in the trading of derivative instruments.

(f) Net fair value of Financial Assets and Liabilities

The net fair value of cash and cash equivalents and non-interest bearing monetary assets and financial liabilities approximates their carrying values.

NOTE 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes assumptions concerning the future. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below.

(a) Impairment of Assets

The group assesses impairment at each reporting date by evaluating conditions specific to the group that may lead to impairment of assets and in particular exploration assets. Where an impairment trigger exists, the recoverable amount of the asset is determined and is dependent upon the ability of the Group to successfully continue exploration of all areas of interest and satisfy the requirements under AASB 6.

Specifically, the Company has reviewed its exploration tenements with regard to AASB 6 and have determined that:

i. the period for which the group has the right to explore in the exploration tenements has not expired during the period or will not expire in the near future, and is expected to be renewed;
ii. substantive expenditure on further exploration for and evaluation of mineral resources in the exploration tenements is planned;
iii. exploration will be ongoing for some time and as such it is far too early to state that that a discovery of commercially viable quantities of mineral resources has not occurred; and
iv. as the exploration is still ongoing, there is not sufficient data to conclude that that the carrying amount of the exploration and evaluation asset is unlikely to be recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(b) Share based payments

The Group measures the cost of equity settled transactions with employees by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black-Scholes option pricing model, using the assumptions detailed in Note 23.

NOTE 6 REVENUE

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
From continuing operations:				
Interest – unrelated parties	22,287	129,396	22,240	100,366
Dividends received	-	-	-	-
	22,287	129,396	22,240	100,366
Total revenue	22,287	129,396	22,240	100,366

NOTE 7 EXPENSES

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
Loss before income tax has been determined after including the following expenses:				
Finance costs				
Borrowing costs – other parties	5,295	1,611	5,295	-
Impairment losses – provisions for loans and investments in subsidiaries	-	-	(22,626)	95,139
Administration expenses:				
Alpha Uranium Ltd float costs		19,189		-
Depreciation of non-current assets – property, plant and equipment	27,923	30,682	27,923	30,682
Employees’ remuneration	214,535	224,130	214,535	224,130
Rental expense – operating lease	51,853	52,055	51,853	52,055
Options issued	-	161,000	-	161,000
Provisions – employee entitlements	23,077	3,532	23,077	3,532
Other administration	355,918	419,820	352,501	419,820
Total expenses	**678,601**	**912,019**	**652,558**	**986,358**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 8 SEGMENT REPORTING

Management has identified the operating segments based on the main minerals of the members of the Group. The two main mineral types of the Group are Uranium and Gold. The Uranium projects are held within the subsidiary Alpha Uranium Pty Ltd and the Gold Projects are held in Strategic Minerals Corporation NL. Segment assets include the cost to acquire the tenement and the capitalised exploration costs of those tenements.

	Gold 2009 $	Uranium 2009 $	Total 2009 $	Gold 2008 $	Uranium 2008 $	Total 2008 $
Segment results for the year						
External sales	-	-	-	-	-	-
Reconciliation to total revenue:						
Interest Income and other revenue			22,287			129,396
Total revenue per statement of comprehensive income			22,287			129,396
Segment loss for the year	675,184	3,419	678,603	891,219	20,800	912,019
Reconciliation to net operating loss:						
Interest Income and other revenue			(22,287)			(129,396)
Net loss per statement of comprehensive income			656,316			782,623
Segment assets as at the year end						
Segment assets	13,651,835	282,020	13,933,855	13,298,229	282,020	13,580,249
Reconciliation to consolidated total assets:						
Other financial assets			2,616,983			899,916
Total assets from continuing operations per statement of financial position			16,550,838			14,480,165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 9 INCOME TAX

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
(a) Income tax benefit				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
	-	-	-	-
Income tax benefit is attributable to:				
Loss from continuing operations	-	-	-	-
Aggregate income tax benefit	-	-	-	-
Deferred income tax (revenue) expense comprises:				
Decrease (increase) in deferred tax assets	-	-	-	-
Decrease (increase) in deferred tax liabilities	-	-	-	-
	-	-	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable				
Unused tax losses for which no deferred tax asset has been recognised	(656,316)	(782,622)	(630,315)	(885,993)
Potential tax benefit @ 30%	(196,894)	(234,786)	(189,095)	(265,798)
Income tax benefit not recognised	196,894	234,786	189,095	265,798
Income tax benefit	-	-	-	-
(c) Deferred tax liabilities/(assets) not recognised				
Tax Losses	(656,316)	(782,622)	(630,315)	(885,993)
Potential tax benefit @ 30%	196,894	234,786	189,095	265,798
Total deferred tax assets not brought to account	4,978,491	4,781,597	4,978,491	4,781,597

NOTE 10 EARNINGS / (LOSS) PER SHARE

	Consolidated Entity	
	2009	**2008**
Basic loss per share (cents per share)	0.23	0.30
The loss used in calculating basic loss per share is the loss attributed to members of Strategic Minerals Corporation NL	656,224	782,711
Weighted average number of shares in the calculation of the EPS	279,453,661	262,416,755

Where diluted earnings per share are not diluted, they are not disclosed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 11 CASH AND CASH EQUIVALENTS

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Cash at bank and on hand	83,925	140,696	50,758	67,821
Bank term deposits	2,479,578	623,797	2,442,373	623,797
	2,563,503	764,493	2,493,131	691,618
Reconciliation of Cash Cash at the end of the financial year as shown in the statement of cash flow is reconciled to items in the statement of financial position as follows:				
Cash and cash equivalents	2,563,503	764,493	2,493,131	691,618

The effective interest rate on cash at bank and bank term deposits is 4.3%. These deposits have an average maturity of less than one year.

NOTE 12 OTHER RECEIVABLES

	Consolidated Entity		*Parent Entity*	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
Current				
Sundry receivables:	4,354	-	4,354	-
Interest receivable and GST refundable	38,075	60,452	36,782	58,468
Prepayment of expenses	23,521	9,458	23,521	9,458
	65,950	69,910	64,657	67,926
Amounts receivable from:				
Controlled entities	-	-	1,741,691	1,742,464
Provision for Impairment	-	-	(1,741,691)	(1,766,174)
Treated as non-current liability (Note 13)	-	-	-	(23,710)
	65,950	69,910	64,657	67,926

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable, loans to and from subsidiaries, and leases.

The main purpose of non-derivative financial instruments is to raise finance for group operations. Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value.

At balance date, there are no receivables past their due date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 13 NON-CURRENT ASSETS – OTHER FINANCIAL ASSETS

	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Shares in listed corporations – 'available for sale' financial assets	65,513	65,513	65,513	65,513
Shares in unlisted corporations at cost	-	-	-	-
Other financial assets – at cost (subsidiaries)				
Shares in controlled entities at cost	-	-	12,027,401	12,027,402
Less Impairment	-	-	(12,027,401)	(12,027,402)
	65,513	65,513	65,513	65,513

Shares in controlled entities are unlisted and comprise:

Place of Incorporation		Class	2009 % Holding	2009 Amount $	2008 % Holding	2008 Amount $
Alpha Uranium Pty Ltd	WA	Ordinary	98	320,000	98	320,000
Bayfield Mineral Sands Pty Ltd (a 100% owned and controlled by Strategic Mineral Investments)	WA	Ordinary	100	-	100	-
Signature Resources Pty Ltd	WA	Ordinary	100	235,250	100	235,250
Spencer Mining Pty Ltd	WA	Ordinary	100	4,000,002	100	4,000,002
Strategic Metals Corporation Pty Ltd	NSW	Ordinary	100	100	100	100
Strategic Mineral Investments Pty Ltd	WA	Ordinary	100	4,456,005	100	4,456,005
Telluride Mining Pty Ltd	NSW	Ordinary	100	260,304	100	260,304

'Available for sale' financial assets, and other financial assets, comprise of investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments. Refer to Note 4 for an analysis of price risk.

Unlisted entities are traded, if at all, in inactive markets, and are therefore carried at cost.

NOTE 14 NON-CURRENT ASSETS – PLANT & EQUIPMENT

	Consolidated Entity 2009 $	Consolidated Entity 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Plant and Equipment				
Plant and equipment at cost	209,971	224,171	209,971	224,171
Less accumulated depreciation	(134,114)	(121,142)	(134,114)	(121,142)
	75,857	103,029	75,857	103,029
MOVEMENTS:				
Owned plant & equipment at cost:				
Brought forward	224,171	221,615	224,171	221,615
Additions	750	2,556	750	2,556
Disposals / adjustments to cost	(14,950)	-	(14,950)	-
Closing Balance	209,971	224,171	209,971	224,171
Accumulated Depreciation:				
Brought forward	(121,142)	(90,460)	(121,142)	(90,460)
Depreciation expense	(27,923)	(30,682)	(27,923)	(30,682)
Disposals / adjustments to cost	14,951	-	14,951	-
Closing Balance	(134,114)	(121,142)	(134,114)	(121,142)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 15 NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Exploration at cost:				
Balance at the beginning of the year	13,466,169	12,358,021	12,644,149	11,612,927
Other expenditure during the year	302,795	1,108,148	300,688	1,031,222
Balance at the end of the financial year	13,768,964	13,466,169	12,944,837	12,644,149

Recoverability of the carrying amount of exploration assets is dependent on the successful exploration of the areas of interest. Capitalised costs of $302,795 (2008: $1,108,148) have been included in the cash flows from operating activities in the statements of cash flow.

NOTE 16 OTHER NON-CURRENT ASSETS

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Mineral Specimens	11,051	11,051	10,537	10,537

NOTE 17 TRADE AND OTHER PAYABLES

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Unsecured				
Current – other creditors and accruals	416,279	50,245	415,701	49,666
Non-current – loan from subsidiary	-	-	-	23,710
Total unsecured liabilities	416,279	50,245	415,701	73,376
Short and long term borrowings				
Secured				
Current – lease liability	14,596	29,429	14,596	29,429
Non-current – lease liability	-	9,302	-	9,302
Total secured liabilities	14,596	38,731	14,596	38,731

Certain vehicles and equipment hired by the group are funded by finance leases and hire purchase, provided by financial institutions. The leases are generally for a short term and are secured by the assets being financed. Risk exposure arising from current and non-current borrowings is set out in Note 4.

The carrying amounts of assets pledged as security for current and non current interest bearing liabilities are:

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
The carrying amounts of non-current assets pledged as security are:				
Motor vehicle	38,731	38,731	38,731	38,731
Total assets pledged as security	38,731	38,731	38,731	38,731

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 18 PROVISIONS – CURRENT

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Balance at beginning of year	54,755	84,571	54,755	84,571
Increase / (decrease) in provision	21,022	(29,816)	21,022	(29,816)
Balance at end of year	75,777	54,755	75,777	54,755

NOTE 19 CONTRIBUTED EQUITY

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
(a) Paid Up Capital				
Issued capital 377,020,428 (2008: 265,703,760)	34,148,711	32,819,065	34,148,711	32,819,065
Placement	2,583,967	1,415,000	2,583,967	1,415,000
Less commission paid	(221,104)	(70,750)	(221,104)	(70,750)
Share Premium to Reserve – (reclassification)	-	(14,604)	-	(14,604)
	36,511,574	34,148,711	36,511,574	34,148,711

During the year the Company made allotments totalling 111,316,668 ordinary fully paid shares (2008: 20,216,285), being for minerals exploration and for working capital purposes. These allotments raised $2,585,320 cash (2008: $1,415,000). All the shares that have been issued in past years including last year are fully paid and have the same voting rights.

Terms and Conditions

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

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

(b) Movements in ordinary share capital of the Company

Date	Details	Number of shares	Issue Price	$
1 Jan 2009	Opening balance	265,703,760		34,148,711
25 May 2009	Share placement at 4 cents	5,000,000	$0.04	200,000
17 Aug 2009	Share placement at 4 cents	2,500,000	$0.04	100,000
8 Nov 2009	Share placement at 2.2 cents	40,980,264	$0.022	901,566
7 Dec 2009	Entitlement issue at 2.2 cents	29,308,500	$0.022	644,787
10 Dec 2009	Shortfall placement at 2.2 cents	33,527,904	$0.022	737,614
	Capital raising costs			(221,104)
31 Dec 2009	Balance at end of year	377,020,428		36,511,574

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 19 CONTRIBUTED EQUITY (continued)

(c) Options

	No. of Options 2009	No. of Options 2008
The number of unissued ordinary shares relating to options not exercised at year end:	6,500,000	6,500,000

(d) Option issues
During the financial year the Company did not make any Options issues.

(e) Option exercise
During the financial year no Options were exercised.

(f) Option expiry
During the financial year no Options expired.

(g) Option cancellation and lapse
During the financial year no Options were cancelled or lapsed.

(h) Capital Management
The Group's and the parent entity's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The capital structure of the consolidated entity consists of equity attributable to equity holders of the parent comprising issued capital, reserves and accumulative losses as disclosed in Notes 21 and 22.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programs and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group and the parent entity at 31 December 2009 and 31 December 2008 are as follows.

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

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Cash and cash equivalents	2,563,503	764,493	2,493,131	691,618
Trade and other receivables	65,950	69,910	64,657	67,926
Trade and other payables	(506,652)	(50,245)	(506,074)	(49,666)
Working capital position	2,122,801	784,158	2,051,714	709,878

NOTE 20 NON-CONTROLLING INTERESTS

	2009	2008
	$	$
Balance at the beginning of the year	1,619	1,530
Share of profit / (loss) for the year	(92)	89
Adjustment for dissolution of controlling interest	1,297	
Balance at the end of the year	2,824	1,619

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 21 RESERVES

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Reserves				
(a) Executive options issued	269,750	269,750	269,750	269,750
(b) Option Premium reserve	2,972,522	2,972,522	2,972,525	2,972,525
	3,242,272	3,242,272	3,242,275	3,242,275
Movements				
(a) Executive options issued				
Balance 1 January	269,750	108,750	269,750	108,750
Options Issued	-	161,000	-	161,000
Transfer to share capital (options exercised)	-	-	-	-
Balance 31 December	269,750	269,750	269,750	269,750
(b) Option premium reserve				
Balance 1 January	2,972,522	2,957,918	2,972,525	2,957,921
Premium to Reserve	-	14,604	-	14,604
Balance 31 December	2,972,522	2,972,522	2,972,525	2,972,525

The reserves created in prior years relate to the premium paid on an options issue and to the fair value of employee incentive options issued to an executive director.

NOTE 22 ACCUMULATED LOSSES

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Accumulated losses at 1 January	23,056,168	22,273,457	23,975,075	23,089,082
Net loss for the year	656,316	782,711	630,315	885,993
Accumulated losses at the end of the year	23,712,484	23,056,168	24,605,390	23,975,075

NOTE 23 SHARE BASED PAYMENTS

There were 6,500,000 options on issue at the end of the year (2008: 6,500,000). The existing options were issued to directors under the Company's incentive option scheme and were independently valued using a Black-Scholes option pricing model. Options issued in 2008 were valued at S161,000 with the following conditions:

The exercise price is 10 cents,
The exercise grant date is 28 June 2008,
The exercise expiry date is 30 June 2010,
The market price of Company shares at issue date was 6 cents
The volatility factor set by the independent valuer was 70%.

The establishment of the Strategic Minerals Corporation NL Executives Option Plan was approved by shareholders at the May 2007 Annual General Meeting. The Plan is designed to provide long term incentives for senior executives, including executive directors, to deliver positive minerals exploration results. Participation is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

Options granted under the Plan carry no dividend or voting rights.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 24 RELATED PARTIES TRANSACTIONS

There are no related party transactions other than those payments to directors as stated in note 25 below.

NOTE 25 KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Directors

Names and positions held of parent entity directors and key management personnel in office at any time during the financial year are:

Mr C F Guerre	Chairman, Non-Executive, part-time representative
Mr W A C Martin	Joint Managing Director & Chief Executive Officer
Mr C Bigeard	Director, Non-Executive - part-time representative
Mr R D Bartsch	Joint Managing Director, Executive - Exploration
Mr J Stephenson	Director

The consolidated entity currently has no executive officers other than executive directors concerned in, or who take part in the management of the consolidated entity.

(b) Other key management personnel

Mr J Stephenson	Company Secretary

All the above persons are key management persons during the year ended 31 December 2009.

(c) Key Management Personnel Compensation

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Short term employee benefits	291,050	387,943	291,050	387,943
Post employment benefits	62,500	126,317	62,500	126,317
Share Based Payments	-	161,000	-	161,000
	353,550	675,260	353,550	675,260

(d) Equity instruments disclosure relating to Key Management Personnel

Shareholdings
Number of shares held by Parent Entity Directors and other key management personnel of the Group, including their personally related parties, are set out below.

2009	Balance at Start of the year	Received during the year on the exercise of options	Other changes during the year **	Balance at the end of the year
Directors:				
Mr W A C Martin	2,677,013	-	1,008,772	3,685,785
Mr C F Guerre	4,345,000	-	-	4,345,000
Mr C Bigeard	-	-	-	-
Mr R D Bartsch	393,690	-	-	393,690
Mr J Stephenson	-	12,000	120,000	132,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 25 KEY MANAGEMENT PERSONNEL DISCLOSURES (continued)

2008	**Balance at Start of the year**	**Received during the year on the exercise of options**	**Other changes during the year ****	**Balance at the end of the year**
Directors:				
Mr W A C Martin	2,577,013	-	100,000	2,677,013
Mr C F Guerre	4,345,000	-	-	4,345,000
Mr C Bigeard	-	-	-	-
Mr R D Bartsch	281,690	-	112,000	393,690
Mr J Stephenson	-	-	-	-

** Other changes during the year include other acquisitions and disposals for directors and their related parties.

Option Holdings

All options are vested and exercisable

2009	**Balance at Start of the year**	**Received during the year**	**Other changes during the year ****	**Balance at the end of the year**
Directors:				
Mr W A C Martin	1,000,000	-	-	1,000,000
Mr C F Guerre	1,000,000	-	-	1,000,000
Mr C Bigeard	1,000,000	-	-	1,000,000
Mr R D Bartsch	3,500,000	-	-	3,500,000

2008	**Balance at Start of the year**	**Received during the year**	**Other changes during the year ****	**Balance at the end of the year**
Directors:				
Mr W A C Martin	-	1,000,000	-	1,000,000
Mr C F Guerre	-	1,000,000	-	1,000,000
Mr C Bigeard	-	1,000,000	-	1,000,000
Mr R D Bartsch	2,500,000	1,000,000	-	3,500,000

** Other changes during the year include reductions due to exercise or expiry of options for directors and their related parties

(e) Loans to / from Key Management Personnel

There were no loans to / from Key Management Personnel for the year ended 31 December 2009.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 26 NOTES TO STATEMENT OF CASH FLOW

	Consolidated Entity		Parent Entity	
	2009	**2008**	**2009**	**2008**
	$	**$**	**$**	**$**
(i) **Reconciliation of operating loss after income tax to net cash provided by operating activities**				
Operating loss after income tax	(656,316)	(782,622)	(630,315)	(885,993)
Add / (less) non cash items:				
Depreciation	27,923	30,682	27,923	30,682
Provision for subsidiary	-	-	(22,626)	95,139
Issue of options at valuation	-	161,000	-	161,000
Non-controlling interest on share surrender	1,205	-	-	-
Provisions	21,022	(29,816)	21,022	(29,816)
Other reconciling items included in operating loss:				
Borrowing costs	-	1,611	-	-
Non cash changes in assets & liabilities:				
Current receivables & prepayments	3,960	11,842	3,269	(697)
Other non current assets	-	(514)	-	-
Payables	316,450	12,917	316,452	24,656
Interest bearing liabilities	-	(25,821)	-	(25,821)
Share premium reserve	-	14,604	-	14,604
Net cash used in operating activities	(285,756)	(606,117)	(284,275)	(616,246)

(ii) **Reconciliation of cash**

For the purposes of this statements of cash flow, cash includes cash on hand and at bank and short term deposits at call and commercial bills, net of outstanding bank overdrafts

Cash	83,925	140,696	50,758	67,821
Deposits at call	2,479,578	623,797	2,442,373	623,797
	2,563,503	764,493	2,493,131	691,618

There are no non-cash financing and investing activities or credit standby arrangements with any banks as at year ended 31 December 2009.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 27 COMMITMENTS

Exploration expenditure

In order to maintain current rights of tenure to exploration tenements, the Company and Consolidated Entity is required to outlay lease rentals and to meet the minimum expenditure requirements of the Queensland Department of Natural Resources and Minerals. These obligations are subject to renegotiation upon expiry of the exploration tenements or when application for a mining licence is made. These commitments are not provided for in the accounts as they are associated with retention of title and payable at some time in the future.

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Not later than one year	903,906	811,991	903,906	632,854
Later than one year but not later than two years	823,013	556,188	823,013	993,013
Later than two years but not later than five years	2,125,586	819,176	2,125,586	2,125,586
Total exploration commitments	3,852,505	2,187,355	3,852,505	1,997,506

Operating lease

The property lease is a non-cancellable lease with a three year term commencing 1 November 2008 and expiry on 31 October 2011. The rent is payable monthly in advance and there is an option to renew the lease at the end of the three year term for an additional term of three years. Contingent rental provisions within the lease agreement require the minimum lease payments shall be increased by the lower of CPI or 4% per annum.

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Operating lease commitment for premises due				
Not later than one year	99,900	75,048	99,900	75,048
Not later than two years	83,250	83,250	83,250	75,048
Total property lease commitments	183,150	150,096	183,150	150,096

Finance lease & hire purchase agreements

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Finance lease for vehicle purchase				
Not later than one year	14,715	29,430	14,715	29,430
Not later than two years	-	14,715	-	14,715
Total finance lease commitments	14,715	44,145	14,715	44,145
Less: future finance charges	(119)	(2,756)	(119)	(2,756)
Net finance lease commitments	14,596	41,389	14,596	41,389

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2009

NOTE 28 CONTINGENT ASSETS AND LIABILITIES

Strategic Minerals Corporation NL has $31,700 worth of bank guarantees in relation to exploration licenses as at 31 December 2009. There are no other contingent assets or liabilities at year end.

NOTE 29 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

On 8 March 2010, the Company announced it had entered into a Letter Agreement with Aldershot Resources of Vancouver Canada covering the Company’s Martin Well project. Under the terms of the Agreement Aldershot may acquire a 70% interest in the Project by spending $AUD 250,000 over a two year period.

There were no other after balance date events.

NOTE 30 AUDITORS’ REMUNERATION

	Consolidated Entity		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
Amounts paid and payable to the auditors of the chief entity and the consolidated entity in respect of				
- auditing or reviewing the accounts	28,000	40,100	28,000	32,690
- tax related services (non-audit services)	10,056	4,491	7,451	4,491
Total fees	38,056	45,041	35,451	37,631

DIRECTORS DECLARATION

The directors of the company declare that:

1. The financial statements and notes set out on pages 30 to 63 are in accordance with the Corporations Act 2001 and:

    (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and

    (b) give a true and fair view of the financial position as at 31 December 2009 and of the performance for the year ended on that date of the company and the consolidated entity.

2. In the Directors opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

3. The remuneration disclosures included in the Remuneration Report of the Directors Report (as part of the audited remuneration report), for the year ended 31 December 2009, comply with Section 300A of the Corporations Act 2001.

4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

W.A.C. Martin
Managing Director

Signed at Perth this 30th day of March 2010

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF STRATEGIC MINERALS CORPORATION NL

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Strategic Minerals Corporation NL for the year ended 31 December 2009 included on Strategic Minerals Corporation NL's web site. The company's directors are responsible for the integrity of Strategic Minerals Corporation NL's web site. We have not been engaged to report on the integrity of Strategic Minerals Corporation NL's web site. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Report on the Financial Report

We have audited the accompanying financial report of Strategic Minerals Corporation NL, which comprises the statement of financial position as at 31 December 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 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility

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

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

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 Strategic Minerals Corporation NL 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 31 December 2009 and of their performance for the year ended on that date
   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001

(a) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 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 Strategic Minerals Corporation NL for the year ended 31 December 2009, complies with section 300A of the *Corporations Act 2001*.

BDO AUDIT (WA) Pty Ltd

BDO Audit

C Burton

CHRIS BURTON
Director

Perth, Western Australia
Dated 30th day of March 2010.

ADDITIONAL SHAREHOLDER INFORMATION
As at 20 March 2009

1. DISTRIBUTION OF SHAREHOLDERS

			Number of Shareholders	Number of unlisted Option Holders
1	-	1,000	606	
1,001	-	5,000	615	
5,001	-	10,000	249	
10,001	-	100,000	566	
100,001	and over		231	4
			2,267	4

Percentage holding of twenty largest holders	67.91%
Number of shareholders holding less than a marketable parcel	1,755

2. TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest shareholders are as follows:

	Shareholder	Number of Shares	% of Issued Capital
1	ANZ Nominees Ltd	74,628,669	19.79
2	HSBC Custody Nominees Ltd	43,400,096	11.51
3	Citicorp Nominees Pty Ltd	18,652,670	4.95
4	National Nominees Ltd	17,800,631	4.72
5	Alpenrose Investments Inc.	13,040,585	3.46
6	Grandlodge Pty Ltd	12,819,582	3.40
7	FH Nominees Pty Ltd	9,142,493	2.42
8	Wallin C I + F K	9,040,000	2.40
9	Halley Paul Mark	7,701,180	2.04
10	Energy World International Ltd	6,583,344	1.75
11	Yandal Investments Pty Ltd	6,284,672	1.67
12	Oz Minerals Inv Pty Ltd	5,555,555	1.47
13	Finance Assoc Pty Ltd	5,475,590	1.45
14	Ventureline Pty Ltd	5,000,000	1.33
15	Altamarda Pty Ltd	4,060,000	1.08
16	L & S Davies Pty Ltd	4,000,000	1.06
17	Benchmark Pty Ltd	3,650,000	0.97
18	Hooley Bernard Thomas	3,200,000	0.85
19	De Jong Meint P + J	3,000,000	0.80
20	M J Charles Nominees Pty Ltd	3,000,000	0.80
	TOTAL OF TOP 20	256,035,067	67.91
	TOTAL SHARES	377,018,428	100.00

ADDITIONAL SHAREHOLDER INFORMATION
As at 20 March 2009

3. SUBSTANTIAL SHAREHOLDERS

As at 19 March 2009 the substantial shareholders registered with the Company were:

Shareholder	No of Shares	% of issued capital
ANZ Nominees Ltd	74,628,669	19.79
HSBC Custody Nominees Ltd	43,400,096	11.51

4. VOTING RIGHTS

Ordinary Shares
On a show of hands every member present in person or by proxy or attorney or being a corporation by its authorised representative who is present in person or by proxy, shall have one vote for every fully paid ordinary share of which he is a holder.

Listed Options
Listed options have no voting rights until such options are exercised as fully paid ordinary shares.

Unlisted Options
These options have no voting rights until such options are exercised as fully paid ordinary shares.

5. LIST OF TENEMENTS

Tenement	Project	% Held
EPM 9599	Woolgar	100%
EPM 11886	Woolgar	100%
EPM 14209	Woolgar	100%
EPM 14060	Woolgar	100%
ML 2728	Woolgar	100%
ML 2793	Woolgar	100%
ML 2642	Woolgar	100%
ML 90044	Woolgar	100%
ML 90122	Woolgar	100%
ML 90122	Woolgar	100%
ML 90123	Woolgar	100%
ML 2739	Woolgar	100%
ML 2739	Woolgar	100%
ML 2729	Woolgar	100%
EPM 16815	Midgee Creek	85%
EL 3508	Martins Well	100%
EL 3288	Siccus JV	10%
EL 3346	Lake Frome JV	10%
EL2991	Reaphook Hill JV	7.5%

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