Carrick Gold Limited and Controlled Entities

ACN 100 405 954

Financial Report

For the year ended 30 June 2011

CONTENTS

CORPORATE PARTICULARS

Directors	Mr Laurence Freedman AM	*Non Executive Chairman*
	Mr Ross Gillon	*Non Executive Director*
	Mr Robert Schuitema	*Executive Director*
	Mr John McKinstry	*Managing Director*
Company Secretary	Mr Robert Schuitema	
Registered Office	12 St Georges Terrace Perth WA 6000	
Corporate Office	12 St Georges Terrace Perth WA 6000	
Mailing Address	GPO Box 2567 Perth WA 6001	
Share Registry	Advanced Share Registry Services 150 Stirling Highway Perth WA 6009	
Auditor	RSM Bird Cameron Partners 8 St Georges Terrace Perth WA 6000	
Solicitor	Lawton Gillon Level 11 16 St Georges Terrace Perth WA 6000	

DIRECTORS' REPORT

The Directors of Carrick Gold Limited and its controlled entities ("the Company") present their financial report on the Company for the financial year ended 30 June 2011.

Directors

The names of directors in office at any time during or since the end of the financial year are listed hereunder. Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

- Laurence Freedman AM (appointed Non-Executive Director 18 August 2010 and appointed Non-Executive Chairman on 14 October 2010)
- Ross Gillon (appointed Non-Executive Director on 12 May 2010)
- Robert Schuitema (appointed Non-Executive Director on 9 September 2010 and Executive Director on 13 July 2011)
- John McKinstry (appointed Managing Director on 1 September 2011)
- Brian Martin (resigned on 7 March 2011)
- Elaine Carr (resigned on 27 October 2010)
- Ian Burston (resigned 31 August 2010)

Information on Directors

LAURENCE FREEDMAN AM
Non-Executive Chairman (appointed 18 August 2010)

Mr Freedman has a long history of involvement and expertise in resource companies having begun his career with the Gold Fields Group, initially as an analyst, rising to director of group companies, including Commonwealth Mining Investments. He later joined BT Australia as Manager, Investments. In 1980, he resigned from BT to found the Equitilink Group which he grew to a global investment management company, with operations around the world. He held chairman and/or director roles in a number of Australian and international publically listed companies. In 2000, he sold the Equitilink Group and has managed his private investment portfolio in shares, property and fixed income. He is a mentor to a number of resource, biotech and technology companies.

Mr Freedman is Chairman of the Freedman Foundation, a self-funded philanthropic charity involved in Medical Research, Youth Programs and the Arts.

Mr Freedman has held the following directorships of other public companies within the last three years:

- Condor Metals Limited
- Phoslock Water Solutions Limited

ROSS GILLON
Non-Executive Director (appointed 12 May 2010)

Mr Gillon, principal of the legal firm of Lawton Gillon, has been in legal practice for 30 years and has been legal advisor for Carrick Gold Limited since its inception in 2002. He is a director of a number of public companies.

Mr Gillon has held the following directorships of other public companies within the last three years:

- Condor Metals Limited
- Millennium Minerals Limited
- Red River Resources Limited
- Telezon Limited
- Terrain Minerals Limited

DIRECTORS' REPORT (Cont'd)

ROBERT SCHUITEMA
Executive Director (appointed 9 September 2010) and Company Secretary (appointed 17 January 2011)

Mr Schuitema has extensive Australian public company experience, currently being a Director and Company Secretary of Phoslock Water Solutions Ltd and Condor Metals Ltd and previously a Director of Electro Optical Systems Ltd. Mr Schuitema is a chartered accountant and member of the NZ Institute of Investment Analysts.

Mr Schuitema has a long history of involvement and expertise in resource companies', having worked 14 years with Chase Manhattan Bank & latterly JP MorganChase as Head of Mining & Metals for Asia Pacific. As an investment banker Mr Schuitema was actively involved in raising both debt (project finance, bank loans and long term bonds) and equity (including hybrids) and providing M&A advise for resource companies both in Australia and internationally. Mr Schuitema worked with resource companies ranging from the major resource houses to junior resource companies financing their first project.

Mr Schuitema has held the following directorships of other public companies within the last three years:

- Condor Metals Limited
- Phoslock Water Solutions Limited
- Electro Optical Systems Limited

JOHN MCKINSTRY
Managing Director (appointed 1 September 2011)

Mr McKinstry joined the Company in January 2011 in the position of Chief Executive Officer. Mr McKinstry is a mining engineer with over 20 years' experience in operations with international mining companies. He has held general management positions at MIM, Normandy and Newmont and most recently was Chief Executive Officer of North Queensland Metals Limited. Mr McKinstry is currently the Chief Operating Officer of Condor Metals Limited.

Mr McKinstry has held no other directorships of other public companies within the last three years.

IAN BURSTON AM
Non-Executive Director (resigned 31 August 2010)

He has held the following directorships of other public companies within the last three years:

- Condor Metals Limited
- Fortescue Metals Group Limited
- Mincor Resources Limited
- African Iron Limited

ELAINE CARR
Executive Director (resigned 27 October 2010) and Company Secretary (resigned 27 October 2010)

She has held the following directorships of other public companies within the last three years:

- Condor Metals Limited

BRIAN MARTIN
Non-Executive Director (resigned 7 March 2011)

He has held the following directorships of other public companies within the last three years:

- Condor Metals Limited

DIRECTORS' REPORT (Cont'd)

Principal Activities

The Company's principal activities during the year were divided between exploration and development on the Lindsays, Kalpini and Kurnalpi projects (LKK Project) near Kalgoorlie, and conducting regional exploration on tenements at Kalgoorlie West and Spargoville.

Operating results

The operating loss after income tax of the Company for the year ended 30 June 2011 was $1,778,878 (2010: loss $1,194,985).

Review of Operations

The Company underwent a significant transformational shift during the year with the appointment of two new directors, Laurence Freedman and Robert Schuitema and the retirement of Ian Burston, Elaine Carr and Brian Martin. In January the Board appointed Chief Executive Officer, John McKinstry. On 1 September 2011 he was appointed Managing Director.

Since the changes were implemented, the new board has devoted itself to building a solid technical team, focussed on resource development and exploration. The corporate office in Perth has relocated, and now houses a staff of six people. In Kalgoorlie the office has been renovated and is the base for the team of six people dedicated to field work.

Carrick Gold is singularly a gold focused company, based in Kalgoorlie, Western Australia. Kalgoorlie is the pre-eminent gold district in Australia and the Company believes that there is significant opportunity to develop gold deposits in the region. The Company's three project areas, Lindsays, Kalpini and Kurnalpi have not been consolidated as a single project called the LKK Project. All previous drilling results have been validated and transferred to a database which will allow new resource estimates to be prepared.

A major 60,000m definition drilling campaign designed to take the majority of resource to indicated category for the LKK project commenced in June. Once resources have been converted to the higher indicated category work will focus on establishing probable reserves and conducting scoping study work on the treatment options for ore mined. As well as the option of constructing a new plant at one of the locations the Company is considering the option of hauling the ore to one of the three nearby processing plants.

The regional exploration continues on the Lady Allison prospect at Spargoville and applications were granted on additional tenements adjoining the original tenements. In keeping with the Company's ambitions to secure further prospects around the Kalgoorlie region, a set of tenements collectively now called Kalgoorlie West were acquired. These tenements lie north of Coolgardie, with large exploration permit areas straddling the Zuileka Shear to the west of the Mount Pleasant complex and around smaller tenements near the former mining town of Ora Banda.

Carrick Gold remained in solid financial shape with $19.2 million cash at 30 June 2011 and no debt. The Company has a budget of $7.5 million for the 2011/2012 year. All of the Company's gold tenements are 100% owned.

DIRECTORS' REPORT (Cont'd)

Review of Operations (Cont'd)

Financial Position

The net assets of the Company are $62,915,803 as at 30 June 2011 (2010: $64,127,040)

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the current year.

Dividends Paid or Recommended

The directors do not recommend the payment of a dividend and no dividends have been paid or declared since the end of the last financial year.

Significant Events after the reporting date

No matters or circumstances besides those disclosed in Note 23 have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results

The Company will focus on resource development and getting its deposits into production over the next 12-24 months.

Environmental Issues

The Company is subject to significant environmental regulation in respect of its exploration activities.

The Company ensures that the appropriate standard of environmental care is achieved and, in doing so, complies with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under review.

Indemnification of Officers and Insurance Premiums

The Company has paid premiums to insure the directors against liabilities for costs and expenses incurred by them in the event that they need to defend legal proceedings arising from their conduct while acting in the capacity of directors, other than conduct involving a wilful breach of duty in relation to the Company.

DIRECTORS' REPORT (Cont'd)

Options

At the date of this report, the unissued ordinary shares of Carrick Gold Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
6 December 2007	31 December 2012	$2.00	2,500,000
27 November 2008	31 December 2013	$1.00	1,500,000
2 December 2008	31 December 2013	$1.00	1,500,000
15 April 2010	31 December 2013	$1.00	2,000,000
			7,500,000

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

For details of options issued to directors and executives as remuneration, refer to the Remuneration Report.

During or since the year ended 30 June 2011, no shares have been issued on the exercise of options and no options have been forfeited or cancelled.

Proceedings on Behalf of Company

No person has applied for leave of the 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.

Risk Management

The Board is responsible for ensuring that risks and opportunities are identified in a timely manner and that activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all Board members to be a part of this process and, as such, the Board has not established a separate risk management committee.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for directors and executives of the Company.

Remuneration Policy

The remuneration policy is designed to align director and executive objectives with shareholder and business objectives,

The Board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

The remuneration policy setting out the terms and conditions for the executive directors and other senior executives was developed by the Board. All executives receive a base salary (which is based on factors such as ability and experience). The Board reviews executive packages annually by reference to the Company's performance, executive performance, and comparable information from industry sectors and other companies in similar industries. The performance of the executive directors is measured against the objective of promoting growth in shareholder value.

The Board may exercise discretion in relation to approving incentives, bonuses, and options. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

DIRECTORS' REPORT (Cont'd)

Remuneration Report (Cont'd)

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders in general meeting (currently $240,000).

Key management personnel service agreements

Details of the key conditions of service agreements for key management personnel are as follows:

	Commencement Date	Notice Period Base Salary	Base Salary	Termination Payments Provided *
John McKinstry	31/01/2011	3 months	$300,000	none
Wade Johnson	04/04/2011	1 month	$195,000	none

* other than statutory entitlements.

There are no other agreements with key management personnel

DIRECTORS' REPORT (Cont'd)

Remuneration Report (Cont'd)

Remuneration Details for the Year Ended 30 June 2011

(a) Key management personnel compensation:

2011	Short-term benefits		Post-employment benefits			
Name	Salary, fees and leave	Non-monetary benefits	Super-annuation	Retirement benefits	Other	Total
	$	$	$	$	$	$
Directors						
Laurence Freedman	43,342	-	3,901	-	-	47,243
Ross Gillon	50,000	-	4,500	-	-	54,500
Robert Schuitema	53,353	-	4,802	-	-	58,155
Brian Martin *	37,500	-	-	-	25,000	62,500
Ian Burston *	8,424	-	-	-	-	8,424
Elaine Carr *	52,000	-	5,285	-	-	57,285
Other key management personnel						
Bevan Jaggard *	186,411	-	11,143	-	30,000	227,554
John McKinstry	183,846	103,528	16,547	-	-	303,921
Wade Johnson	55,000	35,508	4,950	-	-	95,458
Total	**669,876**	**139,036**	**51,128**	**-**	**55,000**	**915,040**

* resigned during the year

2010	Short-term benefits		Post-employment benefits			
Name	Salary, fees and leave	Non-monetary benefits	Super-annuation	Retirement benefits	Other	Total
	$	$	$	$	$	$
Directors						
Ian Burston	37,500	-	-	-	-	37,500
Elaine Carr	134,300	-	12,087	-	-	146,387
Ross Gillon	6,730	-	-	-	-	6,730
Brian Martin	47,500	-	-	-	-	47,500
Frank Carr **	234,912	-	-	-	80,000	314,912
Other key management personnel						
Bevan Jaggard	181,000	-	13,140	-	-	194,140
Total	**641,942**	**-**	**25,227**	**-**	**80,000**	**747,169**

** ceased to be key management personnel on 6 June 2010.

Share-based payment compensation

No options were granted to directors or executives during the year ended 30 June 2011 or 30 June 2010.

DIRECTORS' REPORT (Cont'd)

Remuneration Report (Cont'd)

Directors' relevant interests

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

Director	*No of Ordinary Shares*	*No of Options over Ordinary Shares*
Laurence Freedman	20,857,855	-
Ross Gillon	575,000	-
Robert Schuitema	177,000	-
John McKinstry	500,000	-

END OF REMUNERATION REPORT

Meetings of Directors

During the financial year, 10 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		**Audit Committee**	
	Number of meetings eligible to attend	**Number attended**	**Number of meetings eligible to attend**	**Number attended**
Ian Burston	2	2	-	-
Elaine Carr	4	3	1	1
Ross Gillon	10	10	2	2
Brian Martin	7	6	2	2
Laurence Freedman	9	9	2	2
Robert Schuitema	8	8	2	2

Non-Audit Services

No non-audit services were provided by the entity's auditor, RSM Bird Cameron Partners, as shown at Note 16.

Auditor's Independence Declaration

We have obtained an Auditor's Independence Declaration. Please refer to "Auditor's Independence Declaration" included on page 44 of the financial statements.

The Report of Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.

Robert Schuitema
Executive Director
Dated at Perth this 14th day of September 2011

Corporate Governance Statement

The Board of Directors of Carrick Gold Limited is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of Carrick Gold Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

The following formalises the main corporate governance practices established and in force throughout the financial year to ensure the Board is well equipped to discharge its responsibilities.

Composition of the Board

The composition of the Board shall be determined in accordance with the following principles and guidelines:

- The Board should consist of at least 3 Directors, increasing where additional expertise in considered desirable in certain areas.
- At least 50% of the Board members should be Non-Executive Directors.
- The Chairman of the Board should be an Non-Executive Director.
- Directors should bring characteristics which allow a mix of qualifications, skills and experience.
- All available information in connection with items to be discussed at a meeting of the Board shall be provided to each Director prior to that meeting.

The Board will review its composition on an annual basis to ensure that the Board has the appropriate mix of expertise and experience. When a vacancy exists, for whatever reason, or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board will select appropriate candidates with relevant qualifications, skills and experience. External advisers may be used to assist in such a process. The Board will then appoint the most suitable candidate, who must stand for election at the next general meeting of shareholders.

The primary responsibilities of the Board include:

- The establishment of the long term goals of the Company and strategic plans to achieve those goals;
- The review and adoption of annual budgets for the financial performance of the Company and monitoring those results on quarterly basis. This includes the establishment and monitoring of key performance indicators (both financial and non-financial) for all significant business processes;
- Ensuring the Company has implemented adequate systems of internal control together with appropriate monitoring of compliance activities; and
- The approval of the annual and half-year financial reports.

The terms and conditions of the appointment and retirement of Directors will be set out in a letter of appointment which covers remuneration, expectations, terms, the procedures for dealing with conflicts of interest and the availability of independent professional advice.

The performance of all Directors will be reviewed by the Chairman each year.

Independent professional advice

Each Director will have the right to seek independent professional advice at the Company's expense.

The prior approval of the Chairman will be required, which will not be unreasonably withheld.

Remuneration

The Board will review the remuneration packages and policies applicable to the Directors and Senior Executives on an annual basis. Remuneration levels will be competitively set to attract the most qualified and experienced Directors and Senior Executives.

Where necessary the Board will obtain independent advice on the appropriateness of remuneration packages.

Audit Committee

The Board shall maintain an Audit Committee of at least two Directors. Audit Committee meetings may also be attended, by invitation, by the external auditors. The role of the Committee will be to provide a direct link between the Board and the external auditors.

It will also give the Board additional assurance regarding the quality and reliability of financial information prepared for use by the Board in determining the matters for inclusion in the financial statements.

The responsibilities of the Audit Committee include:

- Monitoring compliance with regulatory requirements;
- Improving the quality of the accounting function;
- Reviewing external audit reports to ensure that where major deficiencies or breakdowns in controls or procedures have been identified appropriate and prompt remedial action is taken by management; and
- Liaising with the external auditors and ensuring that the annual audit and half-year review are conducted in an effective manner.

The Audit Committee will review the performance of the external auditors on an annual basis. Nomination of auditors will be at the discretion of the Audit Committee.

Corporate Governance Statement (Cont'd)

Business risk

The Board will monitor and receive advice on areas of operational and financial risk, and consider strategies for appropriate risk management arrangements.

Specific areas of risk identified initially and regularly considered at Board Meetings include risks associated with business and investment, new and rapidly evolving markets, technological change, competition and business and strategic alliances, the environment and continuous disclosure obligations.

Ethical standards

The Board's policy is for the Directors and Senior Management to conduct themselves with the highest ethical standards. All Directors and employees will be expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

Trading in Carrick Gold Limited Securities

The Board's policy with regard to trading in the Company's securities is that prior to any transaction, Directors and officers must obtain clearance from the Chairman to ensure that no transactions are made where the Director or officer is in possession of price sensitive information.

Authority limits

The Board shall annually review the level of authority limits for the Managing Director and Senior Management. That review shall coincide with the approval of the annual budgets.

Confidentiality

The Board members are required to ensure that all Company business is kept confidential by each Director and staff in his control.

Dealing with conflicts of interest

A potential conflict of interest may arise from time to time. If a conflict or potential conflict of interest arises, full disclosure should be made to the Board as soon as the Director becomes aware of the conflict or potential conflict. The Board shall manage the conflict In such a way that the interests of the Company as a whole are safeguarded.

A conflict will arise:

- When the private or other business interests of Directors and officers conflict directly or indirectly with their obligations to the Company; and
- When benefits (including gifts or entertainment) are received from a person doing business which could be seen by others as creating an obligation to someone other than the Company.

Directors and officers shall not act in a way which may cause others to question their loyalty to the Company.

Corporate Governance Statement (Cont'd)

ASX PRINCIPLE	STATUS	REFERENCE/COMMENT
Principle 1: Lay solid foundations for management and oversight.		
1.1 Formalise and disclose the functions reserved to the board and those delegated to management.	A	The Company has formalised and disclosed the functions reserved to the Board and those delegated to management. The Company has a small Board consisting of four Directors; two are Non- Executive. The full Board currently meets every 4-6 weeks. In addition, strategy meetings and any extraordinary meetings are held at such other times as may be necessary to address any specific significant matters that may arise.
Principle 2: Structure the Board to add value		
2.1 A majority of Board members should be independent directors.	A	At least 50% or greater of the Board are Non-Executive Directors.
2.2 The chairperson should be an independent director.	A	The Company has an Non-Executive Chairman.
2.3 The roles of chair person and chief executive officer should not be exercised by the same individual.	A	The positions of Chairman and Managing Director are not held by the same person.
2.4 The Board should establish a nomination committee.	A	The board has a Nomination Committee. For the time being, all Directors are members of the Committee.
2.5 The Company should disclose the process for evaluating the performance of the Board.	A	The performance of all Directors will be reviewed by the Chairman each year.
2.6 Provide the information indicated in Guide to reporting on Principle 2.	A	The skills and experience of directors are set out in the Company's Annual Report and on its website.

Corporate Governance Statement (Cont'd)

Principle 3: Promote ethical and responsible decision making

3.1	Establish a code of conduct to guide the 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 responsibility and accountability of individuals for reporting or investigating reports of unethical practices.	A	The Company has formulated a Code of Conduct which can be viewed on the Company's website. The board continues to review existing procedures over time to ensure adequate processes are in place. All directors, employees and contractors are expected to act with the utmost integrity and objectivity in their dealings with other parties, striving at all times to enhance the reputation and performance of the Company.
3.2	Establish a diversity policy with measurable objectives and monitor through an annual assessment process.	A	The Company had 12 employees (9 male, 3 females) as at the date of this report. The Board is committed to diversity of its employees as the consolidated entity grows in size and has a larger employment base.
3.3	Disclose the policy and measurable objectives concerning gender diversity.	A	The Company will take gender diversity into consideration as it grows in size and has a larger employment base .
3.4	The Consolidated entity should disclose in the annual report the proportion of women employed in the organisation, in senior roles and on the Board.	A	25% of current employees are female. At this stage the Company has no female directors.
3.5	Provide the information indicated in guide to reporting on Principle 3.	A	Website and annual report.

Legend: A = Adopted

Corporate Governance Statement (Cont'd)

ASX PRINCIPLE	STATUS	REFERENCE/COMMENT
Principle 4: Safeguard integrity in financial reporting		
4.1 The Board should establish an audit committee	A	The Company has established an Audit Committee.
4.2 Structure the audit committee so that it consist of: • Only Non-Executive Directors • A majority of independent directors • An independent chairperson who is not the chairperson of the board • At least three members.	A	Given the composition of the Board, The Audit Committee currently consists of three Directors; two Non-Executives and one Executive director, who is not the Managing Director. The chair of the Audit Committee is not the Chairman of the Board. All Audit Committee members are financially literate, and the chair is a qualified accountant.
4.3 The audit committee should have a formal charter	A	The Audit Committee has a formal charter. A copy of the charter is on the Company's website.
4.4 Provide the information indicated in Guide to reporting on Principle 4.	A	Website and annual report
Principle 5: Make timely and balanced disclosure		
5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	A	The Company has instigated internal procedures designed to provide reasonable assurance as to the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with relevant laws and regulations. The Board is acutely aware of the continuous disclosure regime, and there are strong informal systems in place to ensure compliance, underpinned by experience.
5.2 Provide the information indicated in Guide to reporting on Principle 5.	A	The Company publishes and releases the ASX quarterly reports on cash flow as well as annual and half-yearly results.
Principle 6: Respect the rights of shareholders		
6.1 Design and disclose a communications strategy to promote effectiveness communication with shareholders and encourage effective participation at general meetings.	A	In line with adherence to continuous disclosure requirements of ASX, all shareholders are kept informed of material developments affecting the Company. Shareholders are encouraged to exercise their right to vote, either by attending meetings, or by lodging a proxy. The Company's auditors attend all shareholders' meetings.
6.2 Provide the information indicated in Guide to reporting on Principle 6.	A	This disclosure is through regular shareholder communications including the Annual Report, Quarterly Reports, the Company website and this distribution of specific releases covering major transactions or events, as they arise

Legend: A = Adopted

Corporate Governance Statement (Cont'd)

ASX PRINCIPLE	STATUS	REFERENCE/COMMENT
Principle 7: Recognise and manage risk		
7.1 The Board or appropriate board committee should establish policies on risk oversight and management.	A	The Board recognises its responsibility for identifying areas of significant business risk and for ensuring that arrangements are in place for adequately managing these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged amongst employees and contractors.
7.2 The Board should require management to design and implement the risk management and internal control system	A	Determined areas of risk which are regularly considered include: í Performance and funding of commercial activities í Budget control and asset protection í Compliance with government laws and regulations í Safety and the environment í Continuous disclosure obligations.
. 7.3 The Board should disclose that it has received assurance from the CEO/CFO in accordance with section 295A of the Corporations Act 2001.	A	Disclosure in directors' report.
7.4 Provide information indicated in Guide to reporting on Principle 7.	A	Website and reports from management.
Principle 8: Remunerate fairly and responsibly		
8.1 The Board should establish a Remuneration Committee.	A	The Board has established a Remuneration Committee
8.2 The Remuneration Committee should be structured such that it:- i) Contains majority of independent directors ii) Is chaired by an independent director iii) Has at least three members	A	The Remuneration Committee consists of 3 members, has majority Non-Executive directors and is chaired by an Non-Executive director.
8.3 Clearly distinguish the structure of non executives directors' remuneration from that of executives.	A	The Company discloses remuneration related information in its Annual Report to shareholders in accordance with the Corporations Act 2001. Remuneration levels are determined by the board on an individual basis, the size of the Company making individual assessment more appropriate than formal remuneration policies. The policy disclosed in the remuneration report distinguishes between Non-Executive Directors and Senior Managers.
	A	Website and annual report.
8.4 Provide information indicated in Guide to reporting on Principle 8.		

Legend: A = Adopted

Corporate Governance Statement (Cont'd)

Community Standards

Carrick Gold Limited understands that the development of successful resource projects demands a proactive recognition of the breadth of stakeholder interest in these projects.

The Company is committed to the protection of the environment and to ensure the health and safety of its employees, customers, contractors and communities where it operates and in all its business activities.

The Company is dedicated to comply with all applicable laws and regulations and to work with government and other stakeholders in policy development and implementation.

Traditional Owners

Carrick has engaged the assistance of Aboriginal parties representing the traditional owners of the land on which it operates.

An extensive Cultural Heritage Management Plan will be developed in consultation with the traditional owners as the Company's various projects are developed toward production.

Carrick commits to ongoing communication and consultation with traditional owners in all areas where it operates.

Landholders

Carrick has a commitment to work constructively and proactively with landholders. The Landholders in our operational areas typically have a long history of involvement with their properties with agricultural operations generally being sheep and cattle.

The Company's aim is to minimise the impact on their livelihood and lifestyle.

Carrick will continue to conduct its operations with the intention of developing long and collaborative relationships with landholders.

Health and Safety

Carrick undertakes its operations with the philosophy that occupational health and safety is paramount. The Company aims to continually improve its processes and performances.

Promoting and ensuring a culture in which all employees and contractors fulfil their individual responsibilities in implementing the Health and Safety policy and meeting the regulatory standards remains a key focus

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2011

	Note	2011 $	2010 $
Revenue	2	1,274,394	658,753
Employment costs		(1,522,512)	(586,351)
Management and directors' fees		(385,107)	(441,642)
Professional fees and consultants		(370,356)	(275,298)
Occupancy costs		(181,715)	(209,045)
Share-based payment expense	22(b)	-	(128,652)
Advertising and promotion cost		(166,095)	(36,402)
Depreciation expenses		(92,151)	(27,141)
Listing and registry fees		(60,621)	(51,171)
Other expenses	3	(274,715)	(98,036)
Loss before income tax		(1,778,878)	(1,194,985)
Income tax expense	4	-	-
Loss after income tax		(1,778,878)	(1,194,985)
Other comprehensive income			
Movement in fair value of available for sale investments		224,002	336,003
Other comprehensive income for the year		224,002	336,003
Total comprehensive loss		(1,544,876)	(858,982)
Loss per share			
Basic and diluted loss per share (cents)	15	(1.28)	(0.93)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	2011 $	2010 $
ASSETS			
Current Assets			
Cash and cash equivalents	17(b)	19,174,691	22,906,825
Trade and other receivables	5	352,468	335,336
Other assets	6	6,667	27,307
Total Current Assets		19,533,826	23,269,468
Non-Current Assets			
Trade and other receivables	5	313,445	-
Other assets	6	170,768	117,612
Property, plant and equipment	7	838,313	491,841
Exploration and evaluation expenditure	8	41,620,781	40,493,575
Available-for-sale investments	9	896,006	672,004
Total Non-Current Assets		43,839,313	41,775,032
TOTAL ASSETS		63,373,139	65,044,500
LIABILITIES			
Current Liabilities			
Trade and other payables	10	457,336	917,460
TOTAL LIABILITIES		457,336	917,460
NET ASSETS		62,915,803	64,127,040
EQUITY			
Issued capital	11	67,880,798	67,537,159
Reserves	12	3,542,386	3,318,384
Accumulated losses		(8,507,381)	(6,728,503)
TOTAL EQUITY		62,915,803	64,127,040

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2011

	Issued capital $	Accumulated losses $	Financial assets reserve $	Share payment reserve $	Total equity $
2010					
As at 1 July 2009	50,880,416	(5,533,518)	103,600	2,364,172	47,814,670
Loss for the year	-	(1,194,985)	-	-	(1,194,985)
Movement in fair value of available for sale investments	-	-	336,003	-	336,003
Total comprehensive income for the year	-	(1,194,985)	336,003	-	(858,982)
Share issued under placement net of costs	16,656,743	-	-	-	16,656,743
Share based payment during the year	-	-	-	514,609	514,609
As at 30 June 2010	**67,537,159**	**(6,728,503)**	**439,603**	**2,878,781**	**64,127,040**
2011					
As at 1 July 2010	67,537,159	(6,728,503)	439,603	2,878,781	64,127,040
Loss for the year	-	(1,778,878)	-	-	(1,778,878)
Movement in fair value of available for sale investments	-	-	224,002	-	224,002
Total comprehensive income for the year	-	(1,778,878)	224,002	-	(1,554,876)
Share issued during the year	409,000	-	-	-	409,000
Transaction costs from issue of shares in prior year	(65,361)		-		(65,361)
As at 30 June 2011	**67,880,798**	**(8,507,381)**	**663,605**	**2,878,781**	**62,915,803**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2011

	Note	2011 $	2010 $
Cash flows from operating activities			
Receipts from customers		120,010	-
Payments to suppliers and employees		(3,331,097)	(1,640,775)
Interest received		1,110,143	471,948
Net cash used in operating activities	17(a)	(2,100,944)	(1,168,827)
Cash flows from investing activities			
Payments for plant and equipment		(438,623)	(61,409)
Payment for mineral exploration activities	17(c)	(1,127,206)	(3,039,092)
Net cash used in investing activities		(1,565,829)	(3,100,501)
Cash flows from financing activities			
Proceeds from issue of shares		-	18,000,000
Capital raising costs		(65,361)	(957,299)
Net cash provided by financing activities		(65,361)	17,042,701
Net increase/(decrease) in cash held		(3,732,134)	12,773,373
Cash and cash equivalents at the beginning of the financial period		22,906,825	10,133,452
Cash and cash equivalents at the end of the financial year	17(b)	19,174,691	22,906,825

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies

The financial report covers the consolidated entity of Carrick Gold Limited and controlled entities. Carrick Gold Limited is a listed public company incorporated and domiciled in Australia. The separate financial statement for parent entity, Carrick Gold Limited has not been prepared within this financial report as permitted by the Corporations Act 2001.

The financial report was authorised for issue on 14 September 2011 by the Board of Directors.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting policies

a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Carrick Gold Limited at the end of the reporting period. A controlled entity is any entity over which Carrick Gold Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 19 to the financial statements.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

Business combinations (cont'd)

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

(i) the consideration transferred;

(ii) any non-controlling interest; and

(iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

The amount of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the non-controlling interest. The Group can elect in most circumstances to measure the non-controlling interest in the acquiree either at fair value *(full goodwill method)* or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets *(proportionate interest method).* In such circumstances, the Group determines which method to adopt for each acquisition and this is stated in the respective notes to these financial statements disclosing the business combination.

Under the full goodwill method, the fair value of the non-controlling interest is determined using valuation techniques which make the maximum use of market information where available. Under this method, goodwill attributable to the non-controlling interests is recognised in the consolidated financial statements.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed of.

Changes in the ownership interests in a subsidiary are accounted for as equity transactions and do not affect the carrying values of goodwill.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

b) Income tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit of loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax related to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantially enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a largely enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities related to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) Mining tenements and exploration and evaluation expenditure

Mining tenements are carried at cost, less accumulated impairment losses.

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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

c) Mining tenements and exploration and evaluation expenditure (cont'd)

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.

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.

d) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are measured on the cost basis less depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

e) Property, plant and equipment (cont'd)

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

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the useful lives to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Plant and equipment	10%
Buildings	10%
Motor vehicles	25%
IT assets	33%

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

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

f) Financial instruments

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and their fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

f) Financial instruments (cont'd)

Classification and subsequent measurement

i. *Financial assets at fair value through profit or loss*

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designed as such to avoid an accounting mismatch or to enable performance evaluation where a group or financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

ii. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

iii. *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the group's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

iv. *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

v. *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

g) Impairment of assets

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the comprehensive statement of income.

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to reporting date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

j) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows

k) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

l) Share-based payment transactions

The Company may provide benefits to employees (including senior executives) in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity settled transactions). The Company does not provide cash settled share based payments.

The cost of equity settled transactions with employees are measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by reference to the market price of the Company's shares on the Australian Stock Exchange.

The cost of equity settled transactions are recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognised for the period.

No cumulative expense is recognised for awards that ultimately do not vest (in respect of non-market vesting conditions).

m) 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 for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

n) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the consolidated entity, 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

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

o) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 1: Statement of Significant Accounting Policies (Cont'd)

p) Critical accounting estimates and judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key judgements

Deferred exploration and evaluation expenditure
Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at statement of financial position date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in Note 1(c).

Share based payment transactions
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuation using a Binomial or Black-Scholes option pricing model, using the assumptions detailed in Note 22(a).

	2011 $	2010 $
Note 2 Revenue		
Interest received	1,154,384	658,753
Administration fee income	120,010	-
Total revenue	1,274,394	658,753
Note 3 Other expenses		
Travel expense	65,109	42,332
Repairs and maintenance expense	39,856	3,333
Insurance	33,442	1,171
Printing and stationary costs	23,184	-
Other administrative expenses	113,124	51,200
Total other expenses	274,715	98,036

Note 4 Income tax

(a) Income tax recognised

No income tax is payable by the consolidated entity for the year as a loss was recorded for income tax purposes.

(b) Numerical reconciliation between income tax expense and the loss before income tax

	2011	2010
Loss before income tax	(1,778,878)	(1,194,985)
Income tax benefit at 30% (2010: 30%)	533,663	358,496
Tax effect of:		
Deferred tax asset not recognised	(533,663)	(358,496)
Income tax expense	-	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 4 Income tax (cont'd)

(c) Unrecognised deferred tax balances

	2011 $	2010 $
Tax losses attributable to members of the tax consolidated group – revenue	47,553,258	44,712,275
Potential tax benefit at 30%	14,265,977	13,413,683

A deferred tax asset attributable to income tax losses has not been recognised at reporting date as the probability criteria disclosed in Note 1(b) is not satisfied and such benefit will only be available if the conditions of deductibility also disclosed in Note 1(b) are satisfied.

For the purposes of taxation, Carrick Gold Limited and its 100% owned Australian subsidiary are a tax consolidated group. The head entity of the tax consolidated group is Carrick Gold Limited. The group has not entered into a tax sharing agreement.

Note 5 Trade and other receivables

	2011 $	2010 $
Current		
Interest receivable	231,046	186,805
GST receivable	68,240	139,942
Other receivables	53,182	8,589
	352,468	335,336
Non-current		
Employee share loans receivable	313,445	-
Total trade and other receivables	665,913	335,336

Employee share loans receivable are interest-free loans given to senior executives in order to purchase shares in the Company. The loans have been measured at discounted fair value according to the loan term. For more information on the terms and conditions of the employee share loans refer to Note 14.

Note 6 Other assets

	2011 $	2010 $
Current		
Prepayments	6,667	27,307
Non-current		
Performance bonds	95,498	117,612
Deposits held as security	75,270	-
	170,768	117,612
Total other assets	177,435	144,919

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

	2011 $	2010 $
Note 7 Property, plant and equipment		
Plant and equipment		
At cost	240,421	149,733
Accumulated depreciation	(83,454)	(25,601)
	156,967	124,132
Motor vehicles		
At cost	305,268	22,490
Accumulated depreciation	(30,525)	(9,840)
	274,743	12,650
IT assets		
At cost	65,157	-
Accumulated depreciation	(4,613)	-
	60,544	-
Land and buildings		
At cost	380,866	380,866
Accumulated depreciation	(34,807)	(25,807)
	346,059	355,059
	838,313	491,841

(a) Movements in carrying amounts

	Land and buildings $	Plant and equipment $	Motor vehicles $	IT Assets $	Total $
Balance at 1 July 2009	362,866	77,840	16,867	-	457,573
Additions	-	61,409	-	-	61,409
Depreciation expense	(7,807)	(15,117)	(4,217)	-	(27,141)
Balance at 30 June 2010	355,059	124,132	12,650	-	491,841
Balance at 1 July 2010	355,059	124,132	12,650	-	491,841
Additions	-	90,688	282,778	65,157	438,623
Depreciation expense	(9,000)	(57,853)	(20,685)	(4,613)	(92,151)
Balance at 30 June 2011	346,059	156,967	274,743	60,544	838,313

Note 8 Exploration and evaluation expenditure

	2011 $	2010 $
Cost	20,402,707	19,275,501
Fair value	21,218,074	21,218,074
	41,620,781	40,493,575
Reconciliation		
Balance at beginning of year	40,493,575	37,083,630
Exploration expenditure incurred	1,127,206	3,409,945
Balance at end of year	41,260,781	40,493,575

The ultimate recoupment of costs carried forward for exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective mining areas. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production.

The fair value amount disclosed above arises from the acquisition of Shannon Resources Limited in 2007.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

	2011 $	2010 $
Note 9 Available-for-sale investments		
Shares in listed corporation at fair value	896,006	672,004

Note 10 Trade and other payables (current)

	2011 $	2010 $
Trade payables	124,669	161,196
Sundry payables and accrued expenses	332,667	756,264
	457,336	917,460

Note 11 Contributed equity

	2011 $	2010 $
139,700,000 fully paid ordinary shares (2010: 139,000,000)	67,880,798	67,537,159

a) Movements in ordinary shares on issue	No of shares	Paid up capital $
Balance 1 July 2009	121,000,000	50,880,416
Shares issued under placement	18,000,000	18,000,000
Transaction costs from issue of shares	-	(1,343,257)
Balance 30 June 2010	139,000,000	67,537,159
Shares issued to executives	700,000	409,000
Shares issue costs relating to prior year	-	(65,361)
Balance 30 June 2011	139,700,000	67,880,798

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

b) Movements in options on issue	No of Options	Paid up Capital $
Balance 30 June 2009	5,500,000	-
Add: Options issued to consultants year ended 30 Jun 2010	2,000,000	-
Balance 30 June 2010	7,500,000	-
Balance 30 June 2011	7,500,000	-

Note 12 Reserves

a) *Options reserve*

The option reserve records items recognised as expenses on valuation of share options

b) *Financial assets reserve*

The financial assets reserve records revaluation of financial assets

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 13 Interests of key management personnel

a) Key management personnel compensation

Refer to the Remuneration Report contained in the Director's Report for details of the remuneration paid to each member of the Company's key management personnel for the year ended 30 June 2011.

The totals of remuneration paid to key management personnel of the Company during the year are as follows:

	2011 $	2010 $
Short-term employee benefits	808,912	641,942
Consulting fees	-	80,000
Post-employment benefits	51,128	25,227
Termination benefits	55,000	-
	915,040	747,169

b) Key management personnel shareholdings

The number of ordinary shares in Carrick Gold Limited held by each key management personnel of the Company during the financial year is as follows:

2011	Balance 1 July 2010	Granted as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2011
Directors					
Laurence Freedman	-	-	-	20,847,855	20,847,855
Ross Gillon	575,000		-	-	575,000
Robert Schuitema	-	-	-	177,000	177,000
Ian Burston *	50,000	-	-	(50,000)	-
Elaine Carr *	37,000	-	-	(37,000)	-
Brian Martin *	865,000	-	-	(865,000)	
Other					
Bevan Jaggard	1,069,300	-	-	(1,069,300)	-
John McKinstry	-	-	-	500,000	500,000
Wade Johnson	-	-	-	200,000	200,000
Total	**2,596,300**	**-**	**-**	**19,703,555**	**22,299,855**

* ceased to be key management personnel during the year

2010	Balance 1 July 2009	Granted as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2010
Directors					
Ian Burston	-	-	-	50,000	50,000
Elaine Carr	-	-	-	37,000	37,000
Ross Gillon	-		-	575,000	575,000
Brian Martin	865,000	-	-	-	865,000
Frank Carr **	52,100,000	-	-	110,000	52,210,000
Other					
Bevan Jaggard	1,094,000	-	-	(24,700)	1,069,300
Total	**54,059,000**	**-**	**-**	**747,300**	**54,806,300**

** ceased to be key management personnel on 6 June 2010

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 13 Interests of Key Management Personnel (cont'd)

c) Key management personnel option holdings

The number of options over ordinary shares held by each key management personnel of the Company during the financial year is as follows:

	Balance 1 July 2010	Granted as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2011
Directors					
Laurence Freedman	-	-	-	-	-
Ross Gillon	-	-	-	-	-
Robert Schuitema	-	-	-	-	-
Ian Burston *	-	-	-	-	-
Elaine Carr *	1,000,000	-	-	(1,000,000)	-
Brian Martin *	1,000,000	-	-	(1,000,000)	-
Other					
Bevan Jaggard *	2,000,000	-	-	(2,000,000	-
John McKinstry	-	-	-	-	-
Wade Johnson	-	-	-	-	-
Total	**4,000,000**	**-**	**-**	**(4,000,000)**	-

* ceased to be key management personnel during the year

	Balance 1 July 2009	Granted as Remuneration	Options Exercised	Net Change Other	Balance 30 June 2010
Directors					
Ian Burston	-	-	-	-	-
Elaine Carr	1,000,000	-	-	-	1,000,000
Ross Gillon	-	-	-	-	-
Brian Martin	1,000,000	-	-	-	1,000,000
Frank Carr **	-	-	-	-	-
Other					
Bevan Jaggard	2,000,000	-	-	-	2,000,000
Total	**4,000,000**	**-**	**-**	**-**	**4,000,000**

** ceased to be key management personnel on 6 June 2010

All options issued to key management personnel during the financial year ending 30 June 2010 vested at grant date. All options held by key management personnel at 30 June 2011 have vested and are exercisable.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 14 Related party transactions

Other transactions with key management personnel

i) During the financial year the Company paid consultancy fees amounting to $40,000 (2010:$80,000) to Noble Pacific Ltd.

ii) During the financial year the Company paid death termination benefits to the estate of Frank Carr of $122,000 (2010: $nil)

iii) During the financial year the Company incurred termination benefits to Brian Martin of $25,000 (2010: $nil)

iv) During the financial year the Company incurred termination benefits to Bevan Jaggard of $30,000 (2010: $nil)

v) The Company has engaged Radar Investor Relations Pty Ltd, a director-related entity, to perform investor relations activities on behalf of the Company. The agreement is renewable by negotiation and mutual consent. The total value of services provided in the current year was $90,360 (2010: nil). The services were provided on an arm's length basis.

vi) During the year, the Company issued two unsecured interest-free loans to two executives in order to fund a purchase of the Company's shares on behalf of these executives. The loan term is for three years and 50% of the shares held must be kept in escrow for a minimum of two years; the other 50% for a minimum of three years. The loans are repayable in full should the executive cease employment with the Company.

	2011 $	2010 $
Note 15 Loss per share		
(a) Basic loss per share		
Loss after income tax	(1,778,878)	(1,194,985)
Weighted average number of ordinary shares on issue during the year used as the denominator in calculating basic loss per share	139,241,370	128,693,151

(b) Diluted loss per share

Diluted loss per share is the same as basic loss per share as there are no securities to be classified as dilutive potential ordinary shares on issue.

Note 16 Auditor's remuneration

Remuneration of the auditor for:		
- auditing and reviewing financial reports	29,800	25,225

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 17 Cash flow information

	2011 $	2010 $
a) Reconciliation of the net loss after income tax to the net cash flows from operating activities		
Net loss for the year	(1,778,878)	(1,194,985)
Non-cash items:		
Depreciation on non-current assets	92,151	27,141
Share options expensed	-	128,652
Fair value adjustment to employee share loans	95,555	
Changes in assets and liabilities:		
Decrease/ (increase) in trade and other receivables	(17,132)	(296,634)
Increase/ (decrease) in other assets	(32,516)	(27,307)
(Decrease)/ increase in trade and other creditors	(460,124)	194,306
Net cash outflow from operating activities	(2,100,944)	(1,168,827)
b) Reconciliation of cash		
Cash balance comprises:		
- cash assets	19,174,691	22,906,825

c) During the year, amounts were paid out of operating cash flows relating to mineral exploration activities which were later capitalised for accounting purposes. These cash flows have been classified as investing cash flows and total $1,127,205 (2010: $3,039,092).

Note 18 Commitments

	2011 $	2010 $
(a) Exploration commitments		
- Not later than 12 months	744,910	926,000
- Between 12 months and 5 years	1,475,170	-
- Greater than 5 years	403,041	-
	2,623,121	926,000

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets in which it has an interest.

	2011 $	2010 $
(b) Non-cancellable operating lease commitments		
- Not later than 12 months	113,358	225,913
- Between 12 months and 5 years	110,790	207,087
- Greater than 5 years	33,940	-
	258,088	433,000

The Company has certain operating lease commitments for annual rentals for mineral exploration assets in which it has an interest. The Company also has a property lease which is a non-cancellable lease with an 18-month term, with rent payable monthly in advance.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 19 Controlled entities

	Country of Incorporation	Percentage Owned (%)	
		2011	**2010**
Subsidiaries of Carrick Gold Limited:			
Shannon Resources Limited	Australia	100	100

Shannon Resources Limited is the registered owner of various tenements. The parent entity owns 100% of Shannon Resources Limited and is entitled to all profits earned and losses incurred from the tenements. There was no income earned and no expenses incurred in Shannon Resources Limited from 1 July 2009 to 30 June 2011.

Note 20 Segment information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Company operates as a single segment which is mineral exploration within Australia.

The Company is domiciled in Australia. All revenue from external parties is generated from Australia only. Segment revenues are allocated based on the country in which the party is located.

Operating revenues of approximately Nil (2010 - Nil) are derived from a single external party.

All the assets are located in Australia only. Segment assets are allocated to countries based on where the assets are located.

Note 21 Financial risk management objectives and policies

The Company's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to finance the Company's operations. The Company has various other financial assets and liabilities such as receivables and payables, which arise directly from its operations.

The main risk arising from the Company's financial instruments is interest rate risk. Other minor risks have been summarised below. The Board reviews and agrees on policies for managing each of these risks.

(a) Interest rate risk

The Company's exposure to market interest rate relates primarily to the Company's cash and short term deposits. All other financial assets in the form of receivables and payables are non-interest bearing. The Company does not engage in any hedging or derivative transactions to manage interest rate risk.

The following tables set out the carrying amount by maturity of the Company's exposure to interest rate risk and the effective weighted interest rate for each class of these financial instruments.

	Weighted average interest rate	Floating interest rate $	Fixed interest maturing 1 year or less $	Fixed interest maturing 1 to 5 years $
30 June 2011				
Cash assets	5.53%	449,310	18,725,381	-
30 June 2010				
Cash assets	5.60%	22,906,825	-	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 21 Financial risk management objectives and policies (cont.)

Interest rate sensitivity analysis

At 30 June 2011, if interest rates had changed by 50 basis points during the entire year with all other variables held constant, profit for the year and equity would have been $95,701 higher/lower (2010: $32,938), mainly as a result of higher/lower interest income from cash and cash equivalents.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

(b) Credit risk

The maximum exposure to credit risk at reporting date on financial assets of the Company is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

(c) Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

The table below analyses the entity's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. As the amounts disclosed in the table are the contractual undiscounted cash flows, these balances will not necessarily agree with the amounts disclosed in the statement of financial position.

	Less than 6 months $	6 months to 1 year $	1 to 5 years $	Total $
30 June 2011				
Financial liabilities due for payment				
Trade and other payables	(457,336)	-	-	(457,336)
	(457,336)	-	-	(457,336)
Financial assets – cash flows realisable				
Cash assets	19,174,691	-	-	19,174,691
Trade and other receivable	352,468	-	313,445	665,913
Other assets	6,667	-	170,768	177,435
	19,533,826	-	484,213	20,018,039
Net (outflow)/inflow on financial instruments	**19,076,490**	**-**	**484,213**	**19,560,703**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 21 Financial risk management objectives and policies (cont.)

	Less than 6 months $	6 months to 1 year $	1 to 5 years $	Total $
30 June 2010				
Financial liabilities due for payment				
Trade and other payables	(917,460)	-	-	(917,460)
	(917,460)	-	-	(917,460)
Financial assets – cash flows realisable				
Cash assets	22,906,825	-	-	22,906,825
Trade and other receivable	335,336	-	-	335,336
Other assets	27,307	-	117,612	144,919
	23,269,468	-	117,612	23,387,080
Net (outflow)/inflow on financial instruments	**22,352,008**	**-**	**117,612**	**22,469,620**

(d) Commodity price risk

The Company is not exposed to commodity price risk as the operations of the Company are not yet at the production stage.

(e) Foreign exchange risk

The Company is not exposed to foreign exchange risk as all transactions of the Company are in Australian dollars.

(f) Net fair value of financial assets and liabilities

The carrying amounts of financial instruments included in the statement of financial position approximate their fair values due to their short terms of maturity.

Note 22 Share based payments

(a) Options issued

The Company issued options to its directors and employees and third party contractors as part of its policy to continue to attract and retain the directors and employees of high calibre and maintain on-going commercial relationships with contractors.

Set out below is a summary of options issued as at 30 June 2011 for the Company:

Issue date	Expiry date	Balance at start of year	Number issued during year	Number expired during year	Balance at end of year	Number exercisable at end of year
6/12/2007	31/12/2012	2,500,000	-	-	2,500,000	2,500,000
27/11/2008	31/12/2013	1,500,000	-	-	1,500,000	1,500,000
2/12/2008	31/12/2013	1,500,000	-	-	1,500,000	1,500,000
8/04/2010	31/12/2013	-	2,000,000	-	2,000,000	2,000,000
		5,500,000	2,000,000	-	7,500,000	7,500,000

The details of the options issued to directors and other key management personnel are as per disclosures in the Directors' Report.

No new share options were issued in the current year.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 22 Share based payments (cont.)

Fair value of options granted:

The fair value at issue date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the share price at issue date and expected price volatility of the underlying share, and the risk free interest rate for the term of the loan.

The model inputs for options granted during the year ended 30 June 2010 were calculated using the following variables:

	Consultant options
Volatility	67%
Spot price at date of valuation:	$0.76
Date of valuation:	8 April 2010
Date of expiry:	31 December 2013
Time till maturity	3.73 years
Exercise Price	$1.00
Interest Rate	4.25%

(b) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of share based payment expense were as follows:

	2011 $	2010 $
Expenses related to options issued to directors and other key management personnel	-	514,609
Expenses related to options issued to consultants and employees	-	(385,957)
Transfer of options expense to capital raising costs		
	-	128,652

Note 23 Events subsequent to reporting date

There were no events of significance subsequent to 30 June 2011.

Note 24 Contingent liabilities

There are no contingent liabilities at reporting date.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 25 Parent Information

	2011 $	2010 $
Financial position		
Assets		
Current assets	20,000,291	23,378,491
Non current assets	46,038,542	44,331,987
Total assets	66,038,833	67,710,478
Liabilities		
Current liabilities	3,123,030	3,583,438
Total liabilities	3,123,030	3,583,438
Net Assets	**62,915,803**	**64,127,040**
Equity		
Issued capital	67,880,798	67,537,159
Accumulated Losses	(8,507,381)	(6,728,503)
Reserves	3,542,386	3,318,384
Total equity	**62,915,803**	**64,127,040**
Financial performance		
Loss for the year	(1,778,878)	(1,194,985)
Other comprehensive income	224,002	336,003
Total comprehensive income	(1,554,876)	(858,982)

There are no guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

There are no contingent liabilities of the parent entity as at the reporting date.

There are no contractual commitments by the parent entity for the acquisition of property, plant and equipment as at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Note 26 New accounting standards and interpretations issued but not yet effective

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the Company's accounting policies.

New standards issued but not yet effective

At the date of this financial report the following standards, which may impact the entity in the period of initial application, have been issued but are not yet effective:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	*Financial Instruments*	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2013	No expected impact on the entity
AASB 124	*Related Party Disclosures*	Revised standard. The definition of a related party is simplified to clarify its intended meaning and eliminate inconsistencies from the application of the definition	1 January 2011	Disclosure only

The Company has decided against early adoption of these standards.

Note 27 Company details

The principal place of business of the Company is:

Carrick Gold Limited
12 St Georges Terrace
Perth WA 6000
Australia

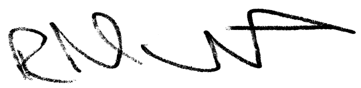
DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes, as set out on pages 17 to 42, are in accordance with the *Corporations Act 2001* and:
   a. comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
   b. give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company and consolidated group;
2. the Chief Executive Officer has declared that:
   a. the financial records of the Company for the financial year have been properly maintained in accordance with s 286 of the *Corporations Act 2001*;
   b. the financial statements and notes for the financial year comply with Accounting Standards; and
   c. the financial statements and notes for the financial year give a true and fair view; and
3. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors:



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Robert Schuitema
Executive Director

Dated at Perth this 14th day of September 2011

RSM Bird Cameron Partners
Chartered Accountants

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Carrick Gold Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

DAVID WALL
Partner

Perth, WA
Dated: 14 September 2011

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
CARRICK GOLD LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Carrick Gold Limited, which comprises the consolidated statement of financial position as at 30 June 2011, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply 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 about 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.

RSM! Bird Cameron Partners
Chartered Accountants

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*, which has been given to the directors of Carrick Gold Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Carrick Gold Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2011. 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.

Opinion

In our opinion the Remuneration Report of Carrick Gold Limited for the year ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

RSM Bird Cameron Partners.

RSM BIRD CAMERON PARTNERS
Chartered Accountants

D Wall.

D J WALL
Partner

Perth, WA
Dated: 14 September 2011