



Glory Resources Limited and its Controlled Entities
ABN 38 142 870 102

Annual Report

For the period from the date of incorporation on
30 March 2010 to 30 June 2011

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Corporate Information

This financial report includes the consolidated financial statements and notes of Glory Resources Limited and controlled entities ("Glory Resources" or "Group") for the period from incorporation to 30 June 2011. Glory Resources was incorporated on 30 March 2010 and listed on the Australian Securities Exchange ("ASX") on 21 January 2011.

A description of the Group's operations and of its principal activities is included in the review of operations and activities in the Director's report on pages 3 to 14. The Director's report is not part of the financial report.

Directors

Mr Jeremy King
Mr Jason Bontempo
Mr Bernard Aylward

Company Secretary

Ms Emma McCormack

Registered Office

945 Wellington Street
West Perth WA 6005

Website

www.gloryresources.com.au

Share Registry

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Stock Exchange

Australian Securities Exchange Limited

ASX Code: GLY

Letter to Shareholders

Dear Shareholder

We are pleased to present the inaugural annual report for Glory Resources.

Glory Resources was formed in 2010 to identify mineral investment opportunities and to undertake exploration and assessment of projects with the aim of discovery and development of mineral deposits.

In January 2011 Glory Resources successfully raised \$2.5 million and listed on the ASX (ASX: GLY). In addition the Company acquired a right to earn a 75% interest in the Onion Lake Project pursuant to a joint venture with Benton Resources Limited, as well as holding a 100% interest in the Eagle Lake Project and the Way Lake Project.

The Company's flagship project, Onion Lake, is prospective for Copper-Nickel-Platinum Group Elements and is comprised of approximately 190km² of contiguous mining claims which are adjacent to Magma Metals (Canada) Ltd (ASX:MMW) Thunder Bay North Polymetallic Property (732,000 Pt equivalent resource). Glory Resources holds the right to earn a 75% interest in the Onion Lake Project pursuant to a joint venture with TSX listed Benton Resources Limited.

In addition, Glory holds a 100% interest in the Eagle Lake Project (prospective for Gold, Gold-Copper) and the Way Lake Project (prospective for Nickel-Platinum Group Elements). All projects are contained in the Lake Superior region in Canada, a known mineralised region with a history of mining which is serviced by excellent local infrastructure and a highly skilled mining workforce.

During the year, the Company has undertaken an initial exploration drilling program at the Onion Lake Project which successfully intersected a mafic intrusion. A further drill program is planned for the north American summer.

Recently the Company has entered into an agreement to acquire the Sappes Gold Project in the north-east of Greece. This is an exciting opportunity and the Company will be seeking shareholder approval for the acquisition.

On behalf of the Board of Directors of Glory Resources, I would like to thank you for your support as a shareholder of the Company, and we look forward to a successful future for the Company.

Yours faithfully



Jeremy King
Director

Directors' Report

Your Directors present the following report on Glory Resources Limited and its controlled entities (referred to hereafter as the "Group") for the period from the date of incorporation on 30 March 2010 to 30 June 2011 ("period").

Directors

The names of the Directors in office during the period and until the date of this report are as follows. All Directors were in office for the entire period unless otherwise stated:

Mr Jeremy King
Mr Jason Bontempo¹
Mr Richard Repsevicius²
Mr Bernard Aylward³
Mr Rob Catena⁴

Note:

1. Mr Bontempo was appointed a director on 24 May 2010
2. Mr Repsevicius appointed as a director on 30 March 2010 and resigned on 24 May 2011
3. Mr Aylward was appointed as a director effective 24 May 2011
4. Mr Catena was appointed as a director on 30 March 2010 and resigned on 24 May 2010

Principal Activities

The principal activity of the Group for the period was resource mineral exploration. In January 2011 the Company acquired Quetico Minerals Pty Ltd and its Canadian subsidiary, Quetico Resources Limited (collectively "Quetico"). Quetico has a right to earn a 75% interest in the Onion Lake Project pursuant to a joint venture with Benton Resources Limited, as well as holding a 100% interest in the Eagle Lake Project and the Way Lake Project. During the period, the Company has undertaken an initial exploration drilling program at the Onion Lake Project and a further drill program is planned for the North American summer.

Dividends

No dividend has been paid or recommended by the Directors during the period.

Review of Operations

The Consolidated Statement of Comprehensive Income shows a net (loss) attributable to members of \$(2,717,766) for the period ended 30 June 2011.

Significant Changes in State Of Affairs

During the period the Glory Resources acquired the Onion Lake Project by acquiring a Canadian subsidiary Quetico Resources in January 2011. Glory Resources listed on the ASX on 21 January 2011 and as part of the ASX listing the Company raised \$2.5 million before costs.

After Reporting Date Events

Since the end of the financial year, the Company has completed a capital raising successfully raising \$2.2 million before costs to spend on its drilling program on the Onion Lake Project, and assessing other opportunities. In addition following shareholder approval at a general meeting held on 29 June 2011, the Company issued 5,000,000 options to the Directors and on completion of the capital raising a further 10,000,000 options to consultants and brokers.

In August 2011, the Company entered into an agreement to acquire 100% of the Sappes Gold Project, in northeast Greece. The acquisition is subject to the Company completing a Capital Raising of \$42.5 million and shareholder approval.

Ms Shannon Robinson resigned as Company Secretary of Glory Resources. Ms Emma McCormack has been appointed to the role of Company Secretary effective 1 September 2011.

Except for the matters discussed above, no other matter or circumstance has arisen since 30 June 2011 that has significantly affected, or may significantly affect:

- (a) the group's operations in future financial years, or
- (b) the results of those operations in future years, or
- (c) the group's state of affairs in future financial years.

Likely Developments and Expected Results

The Group will continue its mineral exploration activity at and around its exploration projects with the object of identifying commercial resources. The Group will undertake a drilling program on its Onion Lake Project in the North American summer and will also focus on completing the acquisition of the Sappes Gold Project.

Financial Position

The net assets of the Group as at 30 June 2011 are \$3,122,883. The Group's working capital, being current asset less current liabilities, is \$1,923,319 as at 30 June 2011.

Environmental Regulation

The Group operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of the shareholders, employees and suppliers. The company's exploration activities are currently regulated by significant environmental regulation under laws of Ontario Canada. The Group aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation.

The Directors are mindful of the regulatory regime in relation to the impact of the organisational activities on the environment.

There have been no known breaches by the Group during the period.

Directors Report (continued)

Information on Directors

Mr Jeremy King	-	Executive Director Chairman
Qualifications	-	LLB
Experience	-	<p>Mr Jeremy King, LLB, is a senior executive of Grange Consulting Pty Ltd, where he specialises in corporate advisory, strategic advice and managing legal issues associated with Grange's clients. Mr King is a corporate lawyer with over 10 years experience in domestic and international legal, financial and corporate matters.</p> <p>He spent several years in London where he worked with Allen & Overy LLP and Debevoise & Plimpton LLP and has extensive corporate experience, particularly in relation to cross-border private equity, leveraged buy-out acquisitions and acting for banks, financial institutions and corporate issuers in respect of various debt and equity capital raisings.</p>
Interest in Shares and Options	-	15,000 Ordinary Shares 1,000,000 unlisted options (\$0.17; 27 July 2016)
Current directorships	-	Non-Executive Director of Orca Energy Resources Limited (formerly Monitor Energy Limited)
Former directorships held in past three years	-	Nil

Mr Jason Bontempo	-	Non-Executive Director
Qualifications	-	BCom CA
Experience	-	<p>Mr Bontempo has worked in Investment Banking and Corporate Advisory since qualifying as a Chartered Accountant with Ernst & Young in 1997. This has also included 4 years in London working in both equity and debt market divisions for major investment banks.</p> <p>Recently Mr Bontempo has been closely involved with advising and financing of AIM and ASX listings for resource and venture based companies.</p>
Interest in Shares and Options	-	1,400,000 Ordinary shares 3,000,000 unlisted options (\$0.17; 27 July 2016)
Current directorships	-	Executive Director of International Goldfields Limited Non-Executive Director of Chameleon Mining NL Non-Executive Director of Red Emperor Resources NL Non-Executive Director of Orca Energy Resources Limited (formerly Monitor Energy Limited)
Former directorships held in past three years	-	Non-Executive Director Mojo Limited

Directors Report (continued)

Mr Bernard Aylward	-	Non-Executive Director
Qualifications	-	MAusIMM
Experience	-	Mr Aylward is an honours graduate in Geology from the University of Melbourne and has 20 years experience in Australian mineral exploration. Mr Aylward is currently Chief Operating Officer of International Goldfields Limited. Previously he served as General Manager of Geology of Azumah Resources Ltd where he oversaw the expansion of the WA gold project to over 1 million ounces. Prior to that, Mr Aylward's experience included working for Sons of Gwalia Limited where he was directly involved in the exploration drilling and expansion of the Safari Bore resource and the Deep South discoveries.
Interest in Shares and Options	-	Nil Ordinary Shares 200,000 unlisted options (30 cents, 31 March 2013) 1,000,000 unlisted options (\$0.17; 27 July 2016)
Current directorships	-	Non Executive Director of International Goldfields Limited
Former directorships held in past three years	-	Nil

Company Secretary

Ms Emma McCormack *B.Com ,CA, SA Fin*

Ms McCormack is a senior executive of Grange Consulting Pty Ltd, where she specialises in providing corporate and strategic advice, due diligence investigations, compliance and valuation advice. Ms McCormack has project managed the listing of a number of companies on the ASX as well as being involved in various private and seed capital raisings. Ms McCormack has acted as the company secretary of a number of ASX listed companies.

Directors Meetings

The number of Directors' meetings held and the number of meetings attended by each of the Directors of the Group for the time the Director held office during the financial year are:

	Number of Meetings Eligible to Attend	Number of Meetings directors' attended
Number of Meetings Held	2	2
Number of Meetings Attended		
Director		
Mr Jeremy King	2	2
Mr Jason Bontempo	2	2
Mr Bernard Aylward	0	0
Mr Richard Repsevicius	2	2
Mr Rob Catena	0	0

Directors Report (continued)

Remuneration report (audited)

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

- A Principles used to determine the nature and amount of remuneration.
- B Details of remuneration.
- C Service agreements.
- D Share-based compensation.

A Principles used to determine the nature and amount of remuneration

The Board has elected not to establish a remuneration committee based on the size of the organisation and has instead agreed to meet as deemed necessary and allocate the appropriate time at its board meetings.

The following items are considered and discussed as deemed necessary at the board meetings:

- make specific recommendations to the board on remuneration of directors and senior officers;
- recommend the terms and conditions of employment for the Executive Director;
- undertake a review of the Executive Director's performance, at least annually, including setting with the Executive Director goals for the coming year and reviewing progress in achieving those goals;
- consider and report to the Board on the recommendations of the Executive Director on the remuneration of all direct reports; and
- develop and facilitate a process for Board and Director evaluation.

Non-Executive Directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board.

Directors' Fees

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at \$150,000 per annum and was approved at the annual general meeting.

Directors Report (continued)

Remuneration report (cont'd)

A Principles used to determine the nature and amount of remuneration (cont'd)

Base fees	2011
Executive director	\$36,000
Non-executive directors	\$24,000

Additional fees

An Executive or Non-executive Director may also be paid fees or other amounts as the Directors determines if a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Retirement allowances for directors

Superannuation contributions required under the Australian Superannuation Guarantee Legislation continue to be made and are deducted from the directors' overall fee entitlements.

Executive pay

The executive pay and reward framework has two components:

- base pay and benefits, including superannuation; and
- long-term incentives through participation in the Employee Share Option Plan.

The combination of these comprises the executive's total remuneration. The Group intends to revisit its long-term equity-linked performance incentives for executives as deemed necessary by the Board.

Base pay

The employment cost package may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for executives is reviewed annually to ensure the executive's pay is competitive with the market.

Benefits

No benefits other than noted above are paid to Directors or other Key Management Personnel except as incurred in normal operations of the business.

Directors Report (continued)

Remuneration report (cont'd)

A Principles used to determine the nature and amount of remuneration (cont'd)

Long term incentives

Options are issued at the Board's discretion. The following options have been approved and issued to the Directors since the date of this financial report.

Director	Date of Approval	Number
Jeremy King	27 June 2011	1,000,000 ¹
Jason Bontempo	27 June 2011	3,000,000 ¹
Bernard Aylward	31 Mar 2011	200,000 ²
Bernard Aylward	27 June 2011	1,000,000 ¹
Total¹		5,000,000
Total²		200,000
		5,200,000

¹ Unlisted Options (exercisable at \$0.17; 27 July 2016)

² Unlisted Options (exercisable at \$0.30; 31 March 2013)

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Group are found below. These are the highest paid executives of the Company and the Group:

Mr Jeremy King
Mr Jason Bontempo
Mr Richard Repsevicius
Mr Bernard Aylward
Mr Rob Catena

Directors Report (continued)

Remuneration report (cont'd)

Key Management personnel and other executives of the Company and the Group

30 June 2011	Short- term employee benefits			Post-employment benefits		Share-based payments	Total	Total Remuneration Represented by
	Cash salary & Fees	Other	Non Monetary Benefits	Super-annuation Pensions	Retire-ment Benefits	Options		Options
	\$	\$	\$	\$	\$	\$	\$	%
Directors								
<i>Non-executive directors</i>								
Jason Bontempo	32,151	-	-	-	-	425,064	457,215	92.97%
Richard Repsevicius	20,323	-	-	1,829	-	-	22,152	-
Bernard Aylward	-	-	-	-	-	158,797	158,797	100.00%
Rob Catena	-	-	-	-	-	-	-	-
Sub-total	52,474	-	-	1,829	-	583,861	638,164	91.49%
Non-executive directors								
<i>Executive directors</i>								
Jeremy King	33,227	-	-	-	-	141,688	174,915	81.00%
Total key management personnel compensation (Group and Company)	85,701	-	-	1,829	-	725,549	813,079	89.23%

Directors Report (continued)

Remuneration report (cont'd)

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration
	2011
Executive Directors	
Mr Jeremy King	19%
Non-executive Directors	
Mr Jason Bontempo	7.03%
Mr Bernard Aylward ¹	0%
Mr Richard Repsevicius	100%
Mr Rob Catena ²	n/a

¹ Bernard Aylward did not receive any remuneration for the period ended 30 June 2011 but will accrue Directors fees from 1 July 2011. This was agreed on his appointment as a director on 24 May 2011.

² Rob Catena did not receive any remuneration due to only serving on the board from 30 March 2010 to 24 May 2010

C Service agreements

On appointment to the Board, all non-executive directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of director.

The Company has a service agreement with Mr Jeremy King as executive director. The key terms are summarised as follows;

- Employment of initial term of 2 years commencing 30 March 2010;
- Payment of a salary of \$36,000 per year on a Total Employment Cost basis to be reviewed annually;
- The Company may terminate the employment by giving 3 months written notice if Mr King becomes incapacitated by illness or injury or becomes of unsound mind;
- The Company may terminate the employment by giving 1 month written notice if Mr King commits any serious or persistent breach of any of the provisions in the agreement and the breach is not remedied within 14 days of the receipt of written notice from the Company to do so;
- The Company may terminate the employment without reason by making a payment of 6 months' salary;
- Mr King may terminate the employment by providing 1 months written notice to the Company; and
- On termination of the employment, Mr King is entitled to payment of any accrued annual leave entitlements.

Directors Report (continued)

Remuneration report (cont'd)

D Share-based compensation

Options

Details of options over ordinary shares in the Group provided as remuneration to each Director of Glory Resources, and each of the key management personnel of the Group at the date of this financial report are set out below.

Director	Number
Jeremy King	1,000,000 ²
Jason Bontempo	3,000,000 ²
Bernard Aylward	200,000 ¹
Bernard Aylward	<u>1,000,000²</u>
Total	5,200,000

Approval Date	Date Vested and Exercisable	Expiry Date	Expiry Price	Value Per Option at Grant Date
¹ 31 March 2011	31 March 2011	31 March 2013	\$0.30	\$0.030
² 29 June 2011	27 July 2011	27 July 2016	\$0.17	\$0.017

When exercisable, each option is convertible into one ordinary share of Glory Resources Limited. Further information on options is set out in note 18.

Options over shares in Glory Resources Limited are granted at the Directors discretion.

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

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

End of audited Remuneration Report.

Shares under option

Unissued ordinary shares of Glory Resources Limited under option at 30 June 2011 are as follows:

Date Options Granted	Expiry Date	Issue Price of Shares	Number Under Option
31 March 2011	31 March 2013	\$0.30	200,000
29 June 2011	27 July 2016	\$0.17	5,000,000
29 June 2011	15 August 2016	\$0.17	10,000,000

Shares issued on the exercise of options

There were no options exercised during the financial period.

Directors Report (continued)

Insurance of Officers

During the period, Glory Resources Limited paid a premium of \$8,048 to insure the directors and officers of the Group and its Australian and Canadian based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on Behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

Non-Audit Services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group are important.

During the year the following fees were paid or payable for services provided by the auditor of the consolidated entity:

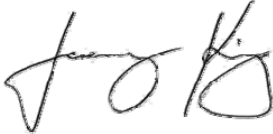
	2011
	\$
Audit services	
BDO Audit (WA) Pty Ltd	
- Audit and review of financial reports	24,246
- Non-audit services - IAR	18,167
- Tax services	1,250
Total remuneration for auditors	<u>43,663</u>

Directors Report (continued)

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15.

BDO Audit (WA) Pty Ltd is appointed to office in accordance with section 327 of the Corporations Act 2001.

This report of Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of Directors.

A handwritten signature in black ink, appearing to read 'Jeremy King', written in a cursive style.

Jeremy King
Director

Perth, Western Australia, 26 September 2011

26 September 2011

The Directors
Glory Resources Ltd
945 Wellington Street,
WEST PERTH WA 6005

Dear Sirs,

DECLARATION OF INDEPENDENCE BY PETER TOLL TO THE DIRECTORS OF GLORY RESOURCES LIMITED

As lead auditor of Glory Resources Limited for the period ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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



Peter Toll
Director



BDO Audit (WA) Pty Ltd
Perth, Western Australia

Consolidated Statement of Comprehensive Income

For the period from the date of incorporation on 30 March 2010 to 30 June 2011

	Note	2011 \$
Revenue		
Interest Received	2	62,728
Employee and director benefits expense	3	(87,530)
Exploration expenses		(270,277)
Loss on sale of financial assets		(578)
Share based payment expense	17(b)	(2,146,959)
Settlement Costs		(89,046)
Finance and interest expense		(1,372)
Other expenses	4	(243,700)
		<u>(2,839,462)</u>
Profit/ (loss) before income tax		(2,776,734)
Income tax benefit	5	58,968
		<u>58,968</u>
Profit/ (loss) for the year		(2,717,766)
Exchange differences on translation of foreign operations	15	(9,485)
		<u>(9,485)</u>
Total Comprehensive Loss for the year		(2,727,251)
Profit/ (loss) attributable to the owners of Glory Resources Limited		<u>(2,727,251)</u>
Basic and Diluted earnings per share (cents per share)	6	(0.19)

The above consolidated statement of comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2011

	Note	2011 \$
ASSETS		
Current Assets		
Cash and cash equivalents	8	1,907,425
Trade and other receivables	9	65,221
Other assets	10	265
Total Current Assets		<u>1,972,911</u>
Non-Current Assets		
Financial assets	11	143,250
Exploration and evaluation expenditure	12	1,144,615
Total Non-current Assets		<u>1,287,865</u>
TOTAL ASSETS		<u><u>3,260,776</u></u>
LIABILITIES		
Current Liabilities		
Trade and other payables	13	49,592
Total Current Liabilities		<u>49,592</u>
Non Current Liabilities		
Deferred tax liability	5	88,301
Total Non Current Liabilities		<u>88,301</u>
TOTAL LIABILITIES		<u>137,893</u>
NET ASSETS		<u><u>3,122,883</u></u>
EQUITY		
Issued capital	14	3,710,095
Accumulated losses	15	(2,717,766)
Reserves	15	2,130,554
TOTAL EQUITY		<u><u>3,122,883</u></u>

The above consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the period from the date of incorporation on 30 March 2010 to 30 June 2011

	Note	2011 \$
Cash flows from operating activities		
Payments to suppliers and employees		(713,280)
Interest received		62,728
Proceeds from underwriting		-
Finance cost		(1,372)
Net cash flows generated from / (used in) operating activities	21	<u>(651,924)</u>
Cash flows from investing activities		
Payments for acquisition of financial assets		(200,170)
Proceeds from sale of financial assets		49,423
Payments for subsidiary, net of cash acquired		1
Net cash flows generated from / (used in) investing activities		<u>(150,746)</u>
Cash flows from financing activities		
Proceeds from issue of shares and options		2,840,301
Payment of share issue and IPO costs		(130,206)
Net cash flows from financing activities		<u>2,710,095</u>
Net increase/ (decrease) in cash and cash equivalents		1,907,425
Cash and cash equivalents at beginning of year		-
Cash and cash equivalents at end of year	8	<u><u>1,907,425</u></u>

The above consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the period from the date of incorporation on 30 March 2010 to 30 June 2011

	Issued Capital	Accumulated Losses	Foreign Translation Reserve	Option Reserve	Asset Revaluation Reserve	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 March 2010	-	-	-	-	-	-
Loss for the year	-	(2,717,766)	-	-	-	(2,717,766)
Exchange difference on foreign operations	-	-	(9,485)	-	-	(9,485)
Total Comprehensive Income	-	(2,717,766)	(9,485)	-	-	(2,727,251)
Transaction with owner, directly recorded in equity:						
Issue of shares	3,840,301	-	-	-	-	3,840,301
Issue of options	-	-	-	2,146,959	-	2,146,959
Revaluation increment	-	-	-	-	(6,920)	(6,920)
Share issue costs	(130,206)	-	-	-	-	(130,206)
Balance at 30 June 2011	3,710,095	(2,717,766)	(9,485)	2,146,959	(6,920)	3,122,883

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(a) Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Glory Resources Limited is a listed public company, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

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

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

(b) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Glory Resources Limited ("company" or "parent entity") as at 30 June 2011 and the results of all subsidiaries for the year then ended. Glory Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

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

Notes to the Consolidated Financial Statements (continued)

1. Summary of significant accounting policies (cont'd)

(b) Principles of consolidation (cont'd)

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group .

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

Subsidiaries are accounted for in the parent entity financial statements at cost.

(c) Income tax

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

Current income tax expense charged to the profit or 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 unused tax losses.

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

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(c) Income tax (cont'd)

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 substantively 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 legally 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 relate 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.

(d) Exploration and evaluation expenditure

Exploration and evaluation 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 Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(d) 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.

(e) Investments & financial instruments

Classification

- The group classifies its Financial assets in the following categories;
- Loans and receivables
- Available for sale financial assets

The classification depends on the purpose for which the investments were acquired. Management determine the classification of its investments at initial recognition.

(i) 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.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(e) Investments and financial instruments (cont'd)

(ii) 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.

(iii) Financial Liabilities

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

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income as gains and losses from investment securities.

Impairment

At each reporting date, the group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

(f) 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 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 Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(g) Employee benefits

(i) *Wages and salaries, annual leave and sick leave*

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

(ii) *Long service leave*

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

(iii) *Share-based payments*

Share-based compensation benefits are provided to employees of Glory Resources Limited at the Directors' discretion.

The fair value of options granted by Glory Resources Limited is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

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

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of comprehensive income with a corresponding adjustment to equity.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(h) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(i) Cash and cash equivalents

For statement of cash flows presentation proposed, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in rates and bank overdrafts.

(j) Revenue and other income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(k) Goods and Services Tax (GST)

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 statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(l) Critical accounting estimates and judgments

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Key Judgment – Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Share based payment transactions

The Group 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 internal valuation using Black-Scholes option pricing model.

Exploration and Evaluation Expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(m) Segment Reporting

Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

The Group operates in one industry, mineral exploration however due to the differing geographical areas and functional currencies the financial information has been broken down into two segments being exploration and administration (other).

(n) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Glory Resources Limited's functional and presentation currency.

(o) Business combinations

The acquisition method of accounting is used to account for all business combinations. Consideration is measured at the fair value of the assets transferred, liabilities incurred and equity interests issued by the group on acquisition date. Consideration also includes the acquisition date fair values of any contingent consideration arrangements, any pre-existing equity interests in the acquiree and share-based payment awards of the acquiree that are required to be replaced in a business combination. The acquisition date is the date on which the group obtains control of the acquiree. Where equity instruments are issued as part of the consideration, the value of the equity instruments is their published market price at the acquisition date unless, in rare circumstances it can be demonstrated that the published price at acquisition date is not fair value and that other evidence and valuation methods provide a more reasonable measure of fair value.

Identifiable assets acquired and liabilities and contingent liabilities assumed in business combinations are, with limited exceptions, initially measured at their fair values at acquisition date. Goodwill represents the excess of the consideration transferred and the amount of the non-controlling interest in the acquiree over fair value of the identifiable net assets acquired. If the consideration and non-controlling interest of the acquiree is less than the fair value of the net identifiable assets acquired, the difference is recognised in profit or loss as a bargain purchase price, but only after a reassessment of the identification and measurement of the net assets acquired.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(o) Business combinations (cont'd)

For each business combination, the group measures non-controlling interests at either fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed when incurred. Transaction costs arising on the issue of equity instruments are recognised directly in equity and transaction costs arising on the issue of debt as part of the consideration are accounted for in accordance with note 1(r).

Where the group obtains control of a subsidiary that was previously accounted for as an equity accounted investment in associate or jointly controlled entity, the group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and the resulting gain or loss is recognised in profit or loss. Where the group obtains control of a subsidiary that was previously accounted for as an available-for-sale investment, any balance on the available-for-sale reserve related to that investment is recognised in profit or loss as if the group had disposed directly of the previously held interest.

Where settlement of any part of the cash consideration is deferred, the amounts payable in future are discounted to present value at the date of exchange using the entity's incremental borrowing rate as the discount rate.

Assets and liabilities from business combinations involving entities or businesses under common control are accounted for at the carrying amounts recognised in the group's controlling shareholder's consolidated financial statements.

(p) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(r) 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.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(s) Earnings per share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the 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.

(t) Parent entity financial information

The financial information for the parent entity Glory Resources Limited, disclosed in note 24 has been prepared on the same basis as the consolidated financial statements.

(u) Going concern

These financial statements have been prepared on the basis of a going concern. The Directors are of the opinion that the Company has sufficient funds to meet its commitments as and when they fall due for a period of at least 12 months from the date of this report.

(v) Comparatives

The length of the reporting period in the consolidated financial statements is from date of incorporation on 30 March 2010 to 30 June 2011. As a result there are no comparatives.

(w) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2011 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below:

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(w) New accounting standards and interpretations (cont'd)

Affected Standard	Title of Affected Standard	Nature of Change	Application Date *	Impact on Initial Application
AASB 9 (issued December 2010)	Financial Instruments	Amends the requirements for classification and measurement of financial assets	1 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
AASB 124 (issued December 2009)	Related Party Disclosures	Clarifies the definition of a related party	1 January 2011	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements.
IFRS 10 (issued 12 May 2011)	Consolidated Financial Statements	Builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. Provides additional guidance to assist in the determination of control.	1 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
IFRS 11 (issued 12 May 2011)	Joint Arrangements	Provides for a realistic reflection of joint arrangements by focussing on the rights and obligations of the arrangement, rather than its legal form. Addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities.	1 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
IFRS 12 (issued 12 May 2011)	Disclosure of interest in other entities	Updates disclosure requirements for all forms of interests in other entities including subsidiaries, joint arrangements, associated and unconsolidated structured entities.	1 January 2013	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements.
IAS 1 (issued 16 June 2011)	IASB and FASB Align presentation requirements for other comprehensive income	Requires companies preparing financial statements in accordance with IFRSs to group together items within OCI that may be reclassified to the profit or loss section of the income statement. The amendments also reaffirm existing requirements that items in OCI and profit or loss should be presented as either a single statement or two consecutive statements	1 July 2012	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements.

Notes to the Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (cont'd)

(w) New accounting standards and interpretations (cont'd)

IAS 19 (issued June 2011)	Employee Benefits	Clarifies the accounting for pensions and other post employment benefits.	1 January 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
IFRS 7	Financial Instruments Disclosures	Deletes various disclosures relating to credit risk, renegotiated loans and receivables and the fair value of collateral held	1 January 2011	There will be no impact on initial adoption to amounts recognised in the financial statement as the amendments result in fewer disclosures.

All other pending Standards issued between the previous financial report and the current reporting dates have no application to the Group.

The financial report was authorised for issue on 26 September 2011 by the board of directors.

Notes to the Consolidated Financial Statements (continued)

2. Revenues & Other Income

	2011 \$
Revenue	
Bank interest	62,728
	<u>62,728</u>

3. Loss for the year

Loss for the year includes the following items:

	2011 \$
Employee benefits expense	
Directors fees	85,701
Employee benefits expense	1,829
Total employee benefits expense	<u>87,530</u>

4. Expenses

	2011 \$
Other expenses	
Financial & company secretarial expenses	(122,842)
Legal expenses	(30,679)
Accounting & audit fees	(43,663)
Insurance	(8,441)
ASX and share registry expense	(13,385)
FAT tax expense	(7,329)
General administration	(17,361)
	<u>(243,700)</u>

5. Income Tax

	2011 \$
Income tax expense	
Current tax	-
Deferred tax	(88,301)
Deferred income tax (revenue) expense included in income tax expense comprises:	
(Decrease)/ increase in deferred tax liabilities	(88,301)
	<u>(88,301)</u>

Notes to the Consolidated Financial Statements (continued)

5. Income Tax (cont'd)

Numerical reconciliation of income tax expense (revenue)

To prima facie tax payable:

	2011 \$
Loss from continuing operations before income tax	(2,776,734)
Tax at the Australian tax rate of rate of 30%	(833,020)
Tax effect of amounts which are not deductible in calculating taxable income:	
Other	694,633
Foreign tax differential	47,111
	<u>(91,276)</u>
Deferred tax assets not brought to account	33,696
Foreign Currency Translation	(1,388)
Income tax expense/ (benefit)	<u>(58,968)</u>

The applicable weighted average effective tax rates are as follows:

Deferred tax Liabilities

	2011 \$
Deferred tax liabilities	
Exploration and evaluation expenditure	145,881
Off set of deferred tax assets	(57,580)
Net deferred tax liabilities	<u>88,301</u>

Notes to the Consolidated Financial Statements (continued)

5. Income Tax (cont'd)

Deferred tax assets arising on timing

	2011 \$
Deferred tax assets arising on timing	
Tax losses	33,523
Foreign tax losses	57,580
Timing Differences	173
	<u>91,276</u>
Off set of deferred tax liabilities	<u>(57,580)</u>
Net deferred tax assets not brought to account	<u>33,696</u>

6. Loss per Share (EPS)

Basic earnings per share amounts are calculated by dividing net profit/ (loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	2011 \$
Basic loss per share attributable to equity holders	0.19
Diluted loss per share attributable to equity holders	0.19
Loss used in calculating basic and diluted EPS	(2,717,766)
	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	14,677,244
Weighted average number of dilutive options outstanding	<u>-</u>
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	14,677,244

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these financial statements.

7. Dividends Paid or Proposed

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

Notes to the Consolidated Financial Statements (continued)

8. Cash and Cash Equivalents

	2011 \$
Current	
Cash at bank and in hand	1,907,425
	<u>1,907,425</u>

The Group's exposure to interest rate risk is discussed in note 16.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of cash at bank and in hand.

9. Trade and Other Receivables

	2011 \$
Current	
Interest Receivable	-
Other Receivables	33,320
GST Receivable	31,901
	<u>65,221</u>

Refer to note 16 for the risk management policy of the Group.

As at 30 June 2011, no trade receivables were past due or impaired.

10. Other Assets

	2011 \$
Current	
Prepayments	265
	<u>265</u>

11. Financial Assets

	2011 \$
Current Financial Assets at fair value through profit and loss	
Listed Investments at Fair Value	143,250
	<u>143,250</u>

Financial assets comprise investments in the ordinary issued capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

Risk exposure

Information about the group exposure to credit risk and price risk is provided in note 16.

Notes to the Consolidated Financial Statements (continued)

12. Exploration and evaluation expenditure

	2011 \$
Non – Current	
Balance at the beginning of the year	-
Tenement acquisition costs	1,144,615
	<u>1,144,615</u>

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

13. Trade and Other Payables

	2011 \$
Current	
Trade payables	32,832
Other payables	16,760
	<u>49,592</u>

Trade payables are non-interest bearing and are normally settled on 60-day terms. Other payables are non-interest bearing and have an average term of 2 months.

14. Issued Capital

	Note	2011 Number	2011 \$
Ordinary shares			
- Issued and fully paid with no par value		24,875,001	3,040,301
- Contingent Share Capital		4,000,000 ¹	800,000 ¹
- Share Issue Costs		-	(130,206)
- Tax benefit related to equity		-	-
Total consolidated contributed equity		<u>28,875,001</u>	<u>3,710,095</u>

Notes to the Consolidated Financial Statements (continued)

14. Issued Capital (cont'd)

Date	Details	No. of Shares	Issue Price	\$
Incorporation 30 March 2010				
30 March 2010	Issue of incorporating share	1	\$1.00	1
14 April 2010	Issue of founder shares	3,000,000	\$0.0001	300
15 April 2010	Issue of initial seed shares	5,500,000	\$0.02	110,000
29 October 2010	Issue of seed shares	2,875,000	\$0.08	230,000
14 January 2011	Vendor shares	1,000,000	\$0.20	200,000
14 January 2011	IPO raising shares	12,500,000	\$0.20	2,500,000
	Less: share issue costs			(130,206)
14 January 2011	Contingent Share Capital	4,000,000 ¹	\$0.20	800,000 ¹
30 June 2011		28,875,001		3,710,095

¹ The contingent share capital represents the issue of fully paid shares in Glory Resources that is subject to Glory Resources completing its earn-in to obtain a 75% Participating Interest in the onion lake Project.

The issued share capital of the Group as at 30 June 2011 was 24,875,001 ordinary shares.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's capital includes ordinary share capital, partly paid shares and financial liabilities, supported by financial assets.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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

The net working capital position of the Company as at 30 June 2011 was \$1,923,319.

As at 30 June 2011 the Group has \$1,907,425 of cash and cash equivalents and no debt which is sufficient working capital to fund its exploration commitments in the near future.

Notes to the Consolidated Financial Statements (continued)

15. Reserves

	2011 \$
(a) Reserves	
Asset revaluation reserve	(6,920)
Foreign translation reserve	(9,487)
Option reserve	2,146,959
	<u>2,130,552</u>
Movements	
<i>Asset revaluation reserve</i>	
Balance at 30 March 2010	-
Revaluation of shares to market value	(6,920)
Balance at 30 June 2011	<u>(6,920)</u>
<i>Foreign translation reserve</i>	
Balance at 30 March 2010	-
Foreign translation difference on consolidation	(9,487)
Balance at 30 June 2011	<u>(9,487)</u>
<i>Option reserve</i>	
Balance at 30 March 2010	-
Options issued to Geologist	17,109
Options issued to Directors	708,440
Options issued to Consultants	1,421,410
Balance at 30 June 2011	<u>2,146,959</u>
	2011 \$
(b) Accumulated losses	
Balance at 30 March 2010	-
Net loss for the year	(2,717,766)
	<u>(2,717,766)</u>

Nature and purpose of reserve

Asset revaluation reserve

Changes in the fair value arising on translation of investments, such as equities, classified as available-for-sale financial assets, are recognised in other comprehensive income as described in note 1 (e) and accumulated in a separate reserve within equity. Amounts are reclassified to profit or loss when the associated assets are sold or impaired.

Foreign translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1 (b) and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Notes to the Consolidated Financial Statements (continued)

15. Reserves (cont'd)

Options reserve

The options reserve is used to recognise the grant date fair value of options issued to employees, consultants and directors but not exercised.

16. Financial Risk Management

The Group's activities expose it to a variety of financial risks including interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments; however the Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks and aging analysis for credit risk.

Risk management is carried out by the Board of Directors with assistance from suitably qualified external and internal advisors. The Board provides written principles for overall risk management and further policies will evolve commensurate with the evolution and growth of the Group.

(a) Market risk

- *Foreign exchange risk*
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Canadian dollar.
- *Price risk*
The Group is exposed to equities securities price risk. This arises from investments held by the parent and classified on the statement of financial position either as available-for-sale or at fair value through profit and loss. The group's equity investments are publicly traded and are included on the ASX.
- *Cash flow and fair value interest rate risk*
The Group's only interest rate risk arises from cash and cash equivalents. Term deposits and current accounts held with variable interest rates expose the group to cash flow interest rate risk.

Interest rate risk

Consolidated	Weighted average Interest rate	2011 Carrying Amount \$
Financial assets		
Cash and cash equivalents	4.75%	1,907,425

Notes to the Consolidated Financial Statements (continued)

16. Financial Risk Management (cont'd)

2011

Financial Instrument	Floating interest rate	Fixed Interest rate maturing in			Non-interest Bearing	Total	Weighted average effective interest rate
		1 year or less	Over 1 to 5 years	More than 5 years			
Financial Assets							
Cash	1,902,910	-	-	-	4,515	1,907,425	4.75%
Receivables – other	-	-	-	-	65,486	65,486	-
Total financial assets	1,902,910	-	-	-	70,001	1,972,911	4.75%

Interest rate sensitivity analysis

The following table illustrates sensitivities to the Group's exposures to changes in interest rates and equity prices. The tables indicates the impact of how profit and equity values reports at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

Change in profit/ (loss)	Increase (Decrease) in Loss \$	2011 \$
Increase in interest rate by 200 basis points	(38,058)	(38,058)
Decrease in interest rate by 200 basis points	38,058	38,058

Change in equity	Increase (Decrease) in Loss \$	2011 \$
Increase in interest rate by 200 basis points	(38,058)	(38,058)
Decrease in interest rate by 200 basis points	(38,058)	(38,058)

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

(b) Price risk

The Group and the parent entity are exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Group manages its portfolio of securities in accordance with limits set by the Group. Diversification of the portfolio is not defined by the Group as management have a short term position in the investments.

Management have performed sensitivity calculations over the equities held at year end and the impact on earnings is considered to be immaterial due to the short term nature of these holdings.

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments across industries and geographical locations.

Notes to the Consolidated Financial Statements (continued)

16. Financial Risk Management (cont'd)

The Group's investments are held in the following sectors at the end of the reporting period:

	2011 \$
Consolidated Group- Listed Investments	
Mining exploration	143,250

(c) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis. The Company does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the fair value of any collateral or other security obtained.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings:

	2011 \$
Cash and cash equivalents - AA	1,907,425

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As at reporting date the Group had sufficient cash reserves to meet its requirements. The Group therefore had no credit standby facilities or arrangements for further funding in place.

The financial liabilities of the Group at reporting date were trade payables incurred in the normal course of the business. These were non interest bearing and were due within the normal 30-60 days terms of creditor payments. The Group does not consider this to be material to the Group and have therefore not undertaken any further analysis of risk exposure.

Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows.

2011

Contractual maturities of financial liabilities	Less than 6 months	6-12 Months	Between 1 and 2 year	Between 2 and 5 years	Over 5 years	Total
Financial Liabilities						
Trade payables and accruals	49,592	-	-	-	-	49,592
Total financial liabilities	49,592	-	-	-	-	49,492

Notes to the Consolidated Financial Statements (continued)

16. Financial Risk Management (cont'd)

(e) Fair value estimation

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

The fair value of financial instruments traded in active markets, such as trading and available for sale securities, is based on current quoted market prices at reporting date. The quoted market price used for financial assets held by the Group is the current market price.

The fair value of financial instruments that are not traded in an active market such as unlisted investments and subsidiaries is determined using valuation techniques where applicable. Where this is unable to be done they are carried at cost.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature.

Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2011	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets				
Available-for-sale financial assets	143,250	-	-	143,250
	<u>143,250</u>	<u>-</u>	<u>-</u>	<u>143,250</u>

Notes to the Consolidated Financial Statements (continued)

17. Share-Based Payments

(a) Employee Incentive Scheme

The Company has no Employee Incentive Scheme in place in the current financial year.

There were no options issued under the Employee Incentive Scheme during the year.

The following share-based payment arrangements to Directors, consultants and employees existed at 30 June 2011. All options granted to Directors, consultants and employees are for ordinary shares in Glory Resources Limited, which confer a right of one ordinary share for every option held.

Grant Date	Expiry Date	Exercise Price	Balance at start of period	Granted during the period	Exercised during the period	Forfeited during the period	Balance at end of the period	Vested & exercisable at end of the period
			Number	Number	Number	Number	Number	Number
2011								
31/03/2011	31/03/2013		-	200,000	-	-	200,000	200,000
29/06/2011	27/07/2016		-	5,000,000	-	-	5,000,000	5,000,000
29/06/2011	15/08/2016		-	10,000,000	-	-	10,000,000	10,000,000
			-	15,200,000	-	-	15,200,000	15,200,000
Weighted average exercise price			-	\$0.172	-	-	\$0.172	-

No options expired during the period covered by the above table.

The weighted average remaining contractual life of share options outstanding at the end of the period was 4.93 years.

Fair value of options granted

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

The model inputs for the options granted during the period ended 30 June 2011 included:

Grant date Granted to	31/03/2011	29/06/2011	29/06/2011
	Directors and other KMP	Directors and other KMP	Consultants
Dividend yield (%)	-	-	-
Expected volatility (%)	90	90	90
Risk-free interest rate (%)	4.75	5.29	5.29
Expected life of options (years)	2.003	5.082	5.134
Underlying share price (\$)	0.21	0.19	0.19
Exercise price (\$)	0.30	0.17	0.17
Value of option (\$)	0.086	0.142	0.142

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Notes to the Consolidated Financial Statements (continued)

17. Share-Based Payments (cont'd)

(b) Expenses arising from share-based payment transactions

	2011 \$
Options issued to directors and consultants	2,146,959
	<u>2,146,959</u>

18. Commitments and Contingent Liabilities

(a) Exploration Expenditure

In order to maintain mining tenements, the economic entity is committed to meet the prescribed conditions under which tenements were granted. These commitments may be met in the normal course of operations by future capital raisings and/or farm-out and under certain circumstances are subject to the possibility of adjustment to the amount and timing of such obligations or by tenement relinquishment.

	2011 \$
Exploration expenditure commitments	
Payable:	
- not later than 12 months	400,000
- between 12 months and 5 years	1,400,000
- greater than 5 years	-
	<u>1,800,000</u>

19. Related Party Disclosure

(a) Payments to related parties

The following payments were made to Grange Consulting Group Pty Ltd during the period of which Jeremy King is an employee;

	2011 \$
Payments to Grange Consulting	126,157
	<u>126,157</u>

The consolidated financial statements include the financial statements of Glory Resources Limited and the subsidiaries listed in the following table.

	Country of Incorporation	% Equity Interest 2011
Quetico Minerals Pty Ltd	Australia	100%
Quetico Resources Ltd	Canada	100%

Notes to the Consolidated Financial Statements (continued)

19. Related Party Disclosure (cont'd)

(b) Parent entities

Glory Resources Limited is the ultimate Australian parent entity.

(c) Subsidiaries

Interests in subsidiaries are set out above.

(d) Key Management Personnel

Disclosures relating to key management personnel are set out in note 23.

(e) Loans to/ from related parties

	2011 \$
Loans to subsidiaries	
Loans advance during the year	385,986
Write-down of intercompany loans	-
As at 30 June 2011	<u>385,986</u>

20. Auditor's Remuneration

	2011 \$
Amounts received or due and receivable by BDO Audit (WA) Pty Ltd for:	
▪ an audit or review of the financial report of the entity	24,246
▪ non audit services - IAR	18,167
▪ tax services	1,250
	<u>43,663</u>

21. Cash Flow information

	2011 \$
Reconciliation of Cash Flow from Operations with Profit after Income Tax	
Profit / (Loss) after income tax for the period	(2,717,766)
Adjustments for:	
Share based payments	2,146,959
Net exchange differences	(2,723)
Profit on sale of shares and options	578
Decrease/(increase) in trade and term receivables	(65,407)
Increase/(decrease) in trade payables and accruals	44,014
Increase/(decrease) in deferred tax liabilities	(57,579)
Net cash inflow/(outflow) from Operating Activities	<u>(651,924)</u>

Notes to the Consolidated Financial Statements (continued)

22. Directors and Key Management Disclosures

(a) Directors

The following persons were directors of Glory Resources Limited during the period:

Name	Position
Mr Jeremy King	Director (Executive)
Mr Jason Bontempo	Director (Non-executive) ¹
Mr Bernard Aylward	Director (Non-executive) ²
Mr Richard Repsevicius	Director (Non-executive) ³
Mr Rob Catena	Director (Non-executive) ⁴

¹ Appointed as a director on 24 May 2010

² Appointed as a director on 24 May 2011

³ Resigned as a director on 24 May 2011

⁴ Resigned as a director on 24 May 2010

(b) Other key management personnel

There were no further key management personnel of the Group.

(c) Key management personnel compensation

	2011
	\$
Short-term employee benefits	85,701
Post-employment benefits	1,829
Share based payments	725,549
Total	<u>813,079</u>

The Group has taken advantage of the relief provided by Corporations Regulation 2M.6.04 and has transferred the detailed remuneration disclosures to the directors report. The relevant information can be found in sections A-C of the remunerations report on pages 7 to 12.

(d) Remuneration of Directors and Key Management Personnel

Options provided as remuneration and shares issued on the exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found in Section D of the remuneration report on page 12.

Notes to the Consolidated Financial Statements (continued)

22. Directors and Key Management Disclosures (cont'd)

(d) Remuneration of Directors and Key Management Personnel (cont'd)

Option holdings

The number of options over ordinary shares in the Group held during the financial year by each director of Glory Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below.

2011 Name	Balance at the start of the year	Granted as compensation	Exercised	Other changes	Balance at end of the year	Vested and exercisable	Unvested
Directors							
Jeremy King	-	1,000,000	-	-	1,000,000	1,000,000	-
Jason Bontempo	-	3,000,000	-	-	3,000,000	3,000,000	-
Bernard Aylward	-	1,200,000	-	-	1,200,000	1,200,000	-
Richard Repsevicius	-	-	-	-	-	-	-
Rob Catena	-	-	-	-	-	-	-
Total	-	5,200,000	-	-	5,200,000	5,200,000	-

Shareholdings

The numbers of shares in the Group held during the financial year by each director of Glory Resources Limited and other key management personnel of the Group, including their personally related parties are set out below. There were no shares granted during the reporting period as compensation.

2011 Name	Balance at the start of the year	Received during the year on the exercise of options	Other changes	Balance at the end of the year
Directors				
Jeremy King	-	-	15,000	15,000
Jason Bontempo	-	-	1,000,000	1,000,000
Bernard Aylward	-	-	-	-
Richard Repsevicius	-	-	-	-
Rob Catena	-	-	-	-
Total	-	-	1,015,000	1,015,000

(e) Loans to key management personnel

There were no loans made or outstanding to directors of Glory Resources Limited and other key management personnel of the Group, including their personally related parties.

Notes to the Consolidated Financial Statements (continued)

22. Directors and Key Management Disclosures (cont'd)

(f) Other transactions with key management personnel

Aggregate amounts of each of the above types of other transactions with key management personnel of Glory Resources Limited:

	2011
	\$
Amounts recognised as expense	
Corporate advisory	80,833
Company secretarial fees	42,009
	<u>122,842</u>

Notes to the Consolidated Financial Statements (continued)

23. Parent Entity Information

The following details information related to the parent entity, Glory Resources Limited, as at 30 June 2011. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2011 \$
Current assets	2,085,972
Non-current assets	506,174
Total assets	2,599,476
Current liabilities	49,592
Total liabilities	49,592
Contributed equity	3,710,095
Reserves	2,140,039
Accumulated Losses	(3,300,251)
Total equity	2,549,883
Loss after income tax	(3,300,251)
Other comprehensive income/ (loss) for the year	-
Total comprehensive income/ (loss) for the year	(3,300,251)

24. Segment Reporting

The following details information related to segment reporting, as at 30 June 2011. The information presented here has been prepared using consistent accounting policies as presented in Note 1. It has been broken down into two segments being exploration and administration (other). This is due to the differing geographical areas and functional currencies of the parent entity Glory Resources and its Canadian subsidiary.

For the year ended 30 June 2011	Exploration \$	Other \$	Consolidated \$
Loss before income tax	(270,277)	(2,447,489)	(2,717,766)
Segment Assets			
Cash	-	1,907,425	1,907,425
Exploration and evaluation	1,144,615	-	1,144,615
Other	30,188	178,538	208,726
Total Segment Assets	1,174,803	2,085,963	3,260,766
Segment Liabilities			
Creditors	-	45,830	45,830
Other	-	92,063	92,063
Total Segment Liabilities	-	137,893	137,893

Notes to the Consolidated Financial Statements (continued)

25. Business Combinations

a) Summary of acquisition

In January 2011 Glory Resources Limited, via its wholly owned subsidiary Quetico Minerals Pty Ltd, acquired a 100% interest in Quetico Resources Limited which holds the rights to earn a 75% interest in the Onion Lake Project in Canada as well as holding a 100% interest in the Eagle Lake Project and the Way Lake Project.

Details of the Fair value of the assets and liabilities acquired are as follows:

Item	#Shares	\$
Initial Shares	1,000,000	200,000
Contingent Consideration (probable)	4,000,000	800,000
		<u>1,000,000</u>
Fair value of net identifiable assets acquired		<u>1,000,000</u>

b) Purchase consideration

Outflow of cash to acquire subsidiary, net of cash acquired

Cash consideration	-
Less: balances acquired	<u>(1)</u>
Net (inflow) of cash	<u>(1)</u>

c) Assets and liabilities acquired

	Acquiree's carrying amount	Fair Value
	\$	\$
Cash and cash equivalents	1	1
Trade debtors and other receivables	79	79
Exploration and evaluation expenditure	121,372	1,151,379
Deferred tax liability	-	(145,881)
Trade creditors and other payables	<u>(5,578)</u>	<u>(5,578)</u>
Net assets	<u>115,874</u>	<u>1,000,000</u>
Net identifiable assets acquired	<u>115,874</u>	<u>1,000,000</u>

Notes to the Consolidated Financial Statements (continued)

26. Events occurring after the reporting period.

Since the date of this financial report, Glory Resources has completed a Capital Raising of \$2.2 million to spend on the Onion Lake Project through its subsidiary Quetico Resources, as well as pursuing other opportunities. The Company has entered into an agreement to acquire 100% of the Sappes Gold Project in Greece from Cape Lambert Resources Limited. The Company plans to fund the acquisition by completing a Capital Raising of \$42.5 million. The acquisition is subject to Shareholder approval.

On 1 September 2011, Ms Emma McCormack was appointed to the role of Company Secretary of Glory Resources. Ms McCormack replaces Ms Shannon Robinson who resigned on this date.

Other than as disclosed above and in the financial report, there has been no matter or circumstance that has arisen that has significantly affected, or may significantly affect:


- (a) the Group's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Group's state of affairs in future financial years.

Directors' Declaration

In the Directors' opinion:

- (a) the financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001, and:
 - (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (ii) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the period ended on that date of the Group.
 - (iii) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 (a) to the financial statements; and
- (b) In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (c) The remuneration disclosures included in pages 7 to 12 of the directors' report (as part of the audited Remuneration Report), for the period ended 30 June 2011, comply with section 300A of the *Corporations Act 2001*.
- (d) The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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



Jeremy King
Director

Perth, Western Australia, 26 September 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLORY RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Glory Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2011, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period 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 period's end or from time to time during the financial period.

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 (a), 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. Those 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 of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

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 Glory Resources 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 Glory Resources 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 period 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 (a).

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the period 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 Glory Resources Limited for the Period ended 30 June 2011 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Peter Toll', with the BDO logo above it.

Peter Toll
Director

Perth, Western Australia
Dated this 26th day of September 2011

Corporate Governance

Corporate Governance Statement

In fulfilling its obligations and responsibilities to its various stakeholders, the Board is a strong advocate of corporate governance. This statement outlines the principal corporate governance procedures of the Company. The Board supports a system of corporate governance to ensure that the management of the Company is conducted to maximise shareholder wealth in a proper and ethical manner.

ASX Corporate Governance Council Recommendations

The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations ("ASX Principles and Recommendations 2nd Edition") where considered appropriate for company of the Company's size and nature. Such policies include, but are not limited to the Board Charter, Board Committee Charters, Code of Conduct, Security Trading, Continuous Disclosure, Shareholder Communication and Risk Management Policies.

The Company's main corporate governance policies and practices are outlined below. The Board also sets out below its "if not why not" approach where the Group's practice departs from the Recommendations. All Recommendations have been applied for the financial year ended 30 June 2011 unless set out below:

(a) Board of Directors

The Company's Board of Directors is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (i) maintain and increase Shareholder value;
- (ii) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (i) developing initiatives for profit and asset growth;
- (ii) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (iii) acting on behalf of, and being accountable to, the Shareholders; and
- (iv) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

Corporate Governance Statement (continued)

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting.

The composition of the Board is to be reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction

Where practical, the majority of the Board is to be comprised of Non-Executive Directors. Where practical, at least 50% of the Board will be independent. An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with, the exercise of independent judgement.

The Board is not currently comprised of a majority of Non-Executive or independent Directors. However, the Board considers that its current structure is appropriate given the Company is in the early stages of its development and given the size, nature and scope of the Company's activities. The Board intends to reconsider its composition as the Company's operations evolve, and may appoint additional directors as it deems appropriate and the Company's circumstances warrant.

The terms and conditions of the appointment and retirement of Directors are 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.

(c) Independent Professional Advice

The Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(d) Remuneration Arrangements

The remuneration of an Executive Director will be decided by the Board, without the affected Executive Director participating in that decision-making process.

The total maximum remuneration of Non-Executive Directors is the subject of a Shareholder resolution in accordance with the Company's Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each Non-Executive Director. The current limit, which may only be varied by Shareholders in general meeting, is an aggregate amount of \$250,000 per annum.

The Board may award additional remuneration to Non-Executive Directors called upon to perform extra services or make special exertions on behalf of the Company.

(e) Performance Assessment

The Board has adopted a formal process for an annual self assessment of its collective performance and the performance of individual directors. The Board is required to meet at least annually with the purpose of reviewing the role of the Board, assessing its performance over the previous 12 months and examining ways in which the Board can better perform its duties. The issues examined in the review include the Board's interaction with management, the type of information provided to the Board by management and management performance in helping the Board meet its objectives.

Corporate Governance Statement (continued)

(f) External Audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(g) Code of Conduct

A formal code of conduct for the Company applies to all directors and employees. The code aims to encourage the appropriate standards of conduct and behaviour of the directors, employees and contractors of the Company. All personnel are expected to act with integrity and objectivity, striving at all times to enhance the reputation and performance of the Company.

The Directors, managers and employees are expected to act with the utmost integrity and objectivity, observe the highest standards of behaviour and business ethics and strive at all times to enhance the good reputation and performance of the Company by acting in the best interests of the Company, being responsible and accountable for their actions and observing the ethical principles of fairness, honesty and truthfulness, including disclosure of potential conflicts.

(h) Audit Committee

The Company will not have a separate constituted audit committee. The Board, as a whole, serves as an audit committee and acts in accordance with the Audit and Risk Management Committee Charter.

Pursuant to the charter, the audit and risk management responsibilities include:

- overseeing, co-ordinating and appraising the quality of the audits conducted by both the Company's external and internal auditors (if and when appointed);
- determining the independence and effectiveness of the external and internal auditors;
- maintaining open lines of communications among the Board and the internal and external auditors to exchange views and information, as well as confirm of their respective authority and responsibilities;
- serving as an independent and objective party to review the financial information submitted by management to the Board for issue to shareholders, regulatory authorities and the general public; and
- reviewing the adequacy of the reporting and accounting controls of the Company.

(i) Nomination and Remuneration Committee

The Company will not have a separate constituted nomination and remuneration committee. The Board, as a whole, serves as a nomination and remuneration committee and acts in accordance with the Nomination and Remuneration Committee Charter.

Pursuant to the charter, the nomination and remuneration responsibilities include:

- reviewing and recommending the overall strategies in relation to executive remuneration policies;

Corporate Governance Statement (continued)

- reviewing and make recommendations in respect of the compensation arrangements for all non-executive directors, the Chief Executive Officer and all other senior executives;
- reviewing the effectiveness of performance incentive plans;
- reviewing and make recommendations in respect of all equity based remuneration plans;
- reviewing and make recommendations in respect of the Company's recruitment, retention and termination policies and superannuation arrangements;
- reviewing the composition of the Board and ensuring that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities;
- ensuring that the Board is comprised of directors who contribute to the successful management of the Company and discharge their duties having regard to the law and the highest standards of corporate governance;
- reviewing and make recommendations to the Board in respect of the succession plans of senior executives (other than executive Directors) and ensuring the performance of senior executives is reviewed at least annually; and
- considering nominations for potential candidates to act as Directors.

(j) Identification and Management of Risk

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

The Board takes a proactive approach to risk management and have a formal risk management policy to provide further guidance to the Board. The identification and proper management of risk within the Company is a priority for the Board and management.

(k) Policy for Trading in Company Securities

Trading in the Company's securities by directors and employees is not permitted when they are in possession of unpublished price sensitive information. Any transactions undertaken must be notified to the Chairman or the Board in advance.

The Directors, officers and employees must not buy, sell or subscribe for securities if they are in possession of 'inside information' (information that is not generally available and, if the information were generally available, a reasonable person would expect it to have a material effect on the price or value of securities). The Corporations Act 2001 provides that a reasonable person would be taken to expect information to have a material effect on the price or value of securities if the information would, or would be likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, buy or sell the securities.

Subject to the insider trading restrictions above, it is the Board's policy that Directors, officers and employees will not trade in the securities within the period of 1 month prior to the release of annual or half yearly results and there is in existence price sensitive information that has not been disclosed because of an ASX Listing Rule exception.

Corporate Governance Statement (continued)

The Board's policy also reinforces the Directors' and Company's statutory obligations to notify the ASX of any dealing in the securities which results in a change in the relevant interests of a Director in the securities. As contemplated in the ASX listing rules, each Director provides notice of such dealings to the Company Secretary within five business days of any such dealing to enable the Company to comply with its corresponding obligation to notify the ASX.

Subject to the insider trading restrictions above, Directors may trade outside the specified periods after discussion with the Chairman.

(l) Continuous Disclosure and Shareholder Communication

The Company has a formal written policy for the continuous disclosure of any price sensitive information concerning the Company. The Board has also adopted a formal written policy covering arrangements to promote communications with shareholders and to encourage effective participation at general meetings.

The Chairman and the Company Secretary have been nominated as the Company's primary disclosure officers. All information released to the ASX is posted on the Company's web-site as soon as practicable after it is disclosed to the ASX. When analysts are briefed on aspects on the Company's operations, the material used in the presentation is released to the ASX and posted on the Company's web-site.

The Company is committed to providing shareholders and stakeholders with extensive, transparent, accessible and timely communications on the Company's activities, strategy and performance. In addition, the Company makes all market announcements, media briefings, details of shareholders meetings, press releases and financial reports available on the Company's website www.gloryresources.com.au.

(m) Ethical Standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

Corporate Governance Statement (continued)

ASX Best Practice Recommendations

The table below identifies the ASX Corporate Governance Principles and Recommendations ("Principles") and whether or not the Company has complied with the recommendations during the reporting period:

	Recommendation	Complied	Note
1.1	Establish the functions reserved to the board and those delegated to senior executives and disclose those functions	✓	
1.2	Disclose the process for evaluating the performance of senior executives	✓	
1.3	Provide the information indicated in the Guide to reporting on Principle 1	✓	
2.1	A majority of the board should be independent directors	✓	
2.2	The chair should be an independent director	✓	
2.3	The roles of chair and chief executive officer should not be exercised by the same individual	✓	
2.4	The board should establish a nomination committee	✗	Note 1
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors	✓	
2.6	Provide information indicated in the Guide to reporting on Principle 2	✓	
3.1	Establish a code of conduct and disclose the code or a summary of the code as to: <ul style="list-style-type: none"> the practices necessary to maintain confidence in the company's integrity the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders the responsibility and accountability of individuals for reporting and investigating reports of unethical practices 	✓	
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	✗	Note 2
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.	✗	Note 2
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	✗	Note 2
3.3	Provide information indicated in the Guide to reporting on Principle 3	✓	
4.1	Establish an audit committee	✗	Note 3
4.2	Structure the audit committee so that it: <ul style="list-style-type: none"> consist only of non-executive directors consists of a majority of independent directors is chaired by an independent chair, who is not chair of the board has at least three members 	✗	Note 3
4.3	The audit committee to have a formal charter	✓	
4.4	Provide the information indicated in the Guide to reporting on Principle 4	✓	
5.1	Establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies	✓	
5.2	Provide the information indicated in the Guide to reporting on Principle 5	✓	
6.1	Design communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy	✓	
6.2	Provide the information indicated in the Guide to reporting on Principle 6	✓	

	Recommendation	Complied	Note
7.1	Establish policies for oversight and management of material business risks and disclose a summary of those policies	✓	
7.2	Require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. Disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	✓	
7.3	Disclose whether assurance has been received from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	✓	
7.4	Provide information indicated in the Guide to reporting on Principle 7	✓	
8.1	Establish a remuneration committee	✗	Note 1
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	✓	
8.3	Provide the information indicated in the Guide to reporting on Principle 8	✓	

Note 1: The Principles recommend that companies should have a board of an effective composition, size and commitment to adequately discharge its responsibilities and duties and that companies should have a structure to ensure that the level and composition of remuneration is sufficient and reasonable and that its relationship to performance is clear.

(a) Recommendation 2.4 – Nomination Committee

Recommendation 2.4 of the Principles states that the board should establish a nomination committee that should be structured so that it:

- consists of a majority of independent directors;
- is chaired by an independent director; and
- has at least three members.

The Board does not have a separate nomination committee. The Board, as a whole, serves as a nomination committee and acts in accordance with the Nomination and Remuneration Committee Charter. The Board does not believe any efficiency or other benefits would currently be gained by establishing a separate nomination committee.

The responsibility for the selection of potential directors lies with the full Board of the Company. A separate nomination committee has not been constituted because the Board considers that the size of the current full Board permits it to act as the nomination committee and to regularly review membership. This includes an assessment of the necessary and desirable competencies of Board members, Board succession plans and an evaluation of the Board's performance and consideration of appointments and approvals.

When a Board vacancy occurs, the Board acting as the nomination committee, identifies the particular skills, experience and expertise that will best complement Board effectiveness, and then undertakes a process to identify candidates who can meet those criteria.

Corporate Governance Statement (continued)

Directors are not appointed for specific terms, as their periods in office are regularly reviewed as part of annual performance evaluation processes and they are subject to re-election every three (3) years.

(b) Recommendation 8.1 – Remuneration Committee

Recommendation 8.1 of the Principles states that the board should establish a remuneration committee that should be structured so that it:

- consists of a majority of independent directors;
- is chaired by an independent director; and
- has at least three members.

The Board does not have a separate remuneration committee. The Board, as a whole, serves as a remuneration committee and acts in accordance with the Nomination and Remuneration Committee Charter. The Board does not believe any efficiency or other benefits would currently be gained by establishing a separate remuneration committee.

The responsibility for remuneration of directors and senior management lies with the full Board of the Company. A separate remuneration committee has not been constituted because the Board considers that the size of the current full Board permits it to act as the remuneration committee and will review remuneration issues at regular Board meetings.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved by the full Board. In circumstances where the size of the Board is expanded as a result of the growth or complexity of the Company, the Board will reconsider the establishment of a remuneration committee to ensure compliance with the Principles where possible.

Note 2: The Principles recommends that companies should actively promote ethical and responsible decision-making.

(a) Recommendation 3.2 – Diversity Policy

Recommendation 3.2 states that companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measureable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.

The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality, diversity and skills of its people.

Under the Company's Code of Conduct, employees must not harass, discriminate or support others who harass and discriminate against colleagues or members of the public on the grounds of sex, pregnancy, marital status, age, race (including their colour, nationality, descent, ethnic or religious background), physical or intellectual impairment, homosexuality or transgender. Such harassment or discrimination may constitute an offence under legislation.

Corporate Governance Statement (continued)

Due to the small scale of the Company's operations and the limited number of employees, the Company has not yet established a Diversity Policy. However, as the Company develops the Board will consider adopting such a policy.

(b) Recommendation 3.3 – Measurable Objectives for Achieving Gender Diversity

Recommendation 3.3 of the Principles states that the board should disclose in each annual report the measurable objective for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.

Given the size of the Company, the Company has not yet set measurable objectives for achieving gender diversity. In addition, the Board will review progress against any objectives identified on an annual basis.

(c) Recommendation 3.4– Annual Report Disclosure

Recommendation 3.4 of the Principles states that the board should disclose in each annual report:

- the proportion of women employees in the whole organisation;
- women in senior executive positions; and
- women on the board.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved with Ms Shannon Robinson as the Company Secretary holding a senior executive position in the Company. The Company does not currently have any employees.

Note 3: The Principles recommend that companies should have a structure to independently verify and safeguard the integrity of their financial reporting. Recommendation 4.1 of the Principles states that the board should establish an audit committee.

Recommendation 4.2 of the Principles states that the audit committee should be structured so that it:

- consists only of non-executive directors
- consists of a majority of independent directors
- is chaired by an independent chair, who is not chair of the board
- has at least three members.

The Board does not have a separate audit committee. The Board, as a whole, serves as a audit committee and acts in accordance with the Audit and Risk Management Committee Charter. The Board does not believe any efficiency or other benefits would currently be gained by establishing a separate audit committee.

Corporate Governance Statement (continued)

The responsibility for preparation of financial statements and their audit lies with the full Board of the Company. A separate audit committee has not been constituted because the Board considers that the size of the current full Board permits it to act as the audit committee and will review audit issues at regular Board meetings.

Given the size of the Board and the Company, the Board considers that this function is efficiently achieved by the full Board. In circumstances where the size of the Board is expanded as a result of the growth or complexity of the Company, the Board will reconsider the establishment of an audit committee to ensure compliance with the Principles where possible.

ASX Additional Information

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Shareholdings

The issued capital of the Group as at 23 September 2011 is as follows:
All issued ordinary fully paid shares carry one vote per share.

Issued Capital	Number
Ordinary Shares	37,818,179
Unlisted Options ¹	200,000
Unlisted Options ²	5,000,000
Unlisted Options ³	10,000,000
Total	

¹ Consultant Options (\$0.30; 31 March 2013)

² Director Options (\$0.17; 27 July 2016)

³ Consultant Options (\$0.17; 15 August 2016)

Ordinary Shares

Shares Range	Holders	Units	%
1-1,000	1	183	.00
1,001-5,000	15	51,658	.14
5,001-10,000	88	858,053	2.27
10,001-100,000	233	8,266,820	21.86
100,001-9,999,999	67	28,641,465	75.73
Total	404	37,818,179	100

Unmarketable parcels

There were 7 holders of less than a marketable parcel of ordinary shares.

2. Top 20 Shareholders as at 23 September 2011

	Name	Number of Shares	%
1	J & J Bandy Nominees Pty Ltd	4,091,176	10.82
2	Group Seventy Three Super Fund Pty Ltd	2,200,000	5.82
3	Murdoch Capital Pty Ltd	1,250,000	3.31
4	HSBC Custody Nominees	1,058,824	2.80
5	Max Capital Pty Ltd	1,000,001	2.64
6	Mr Anthony William Paul Sage	1,000,000	2.64
7	MV Agusta Investments Pty Ltd	1,000,000	2.64
8	PC Holdings Pty Ltd	1,000,000	2.64
9	Mr Tiziana Battista	950,000	2.51
10	Dempsey Resources Pty Ltd	750,000	1.98
11	Mrs Paola Dawe	615,000	1.63
12	Cornela Pty Ltd	588,235	1.56
13	Adriatic Pty Ltd	588,235	1.56
14	Ms Melissa Tassone	542,500	1.43
15	Ms Aloisia Lechthaler	500,000	1.32
16	HSBC Custody Nominees	500,000	1.32
17	BR Corporation Pty Ltd	450,000	1.19
18	Mercury Anetac Capital Pty Ltd	425,000	1.12
19	Karalon Pty Ltd	400,000	1.06
20	Negus Dental Services Pty Ltd	395,000	1.04
	Total	19,303,971	51.03

3. Substantial Shareholders as at 23 September 2011

	Name	Number of Shares	%
1	J & J Bandy Nominees Pty Ltd	4,091,176	10.82
2	Group Seventy Three Super Fund Pty Ltd	2,200,000	5.82

4. Restricted Securities subject to escrow period

There are 5,725,000 restricted securities subject to escrow as at 23 September 2011.

5. Group cash and assets

In accordance with Listing Rule 4.10.19, the Group confirms that it has been using the cash and assets it had acquired at the time of admission and for the period ended 30 June 2011 in a way that is consistent with its business objective and strategy.