NuWorld Solutions

2012 Annual Financial Report

For the year ended 30 June 2012

ABN 44 009 148 529

Glossary in brief

NuWorld Solutions	is NuWorld Solutions Limited
the Company	is NuWorld Solutions Limited
SYNERGY Australia	is Synergy Business Solutions Australia Pty Ltd, NuWorld Solutions's wholly owned subsidiary
Data-**inCrypt**®	is Data-**inCrypt**® Pty Ltd, NuWorld Solutions's wholly owned subsidiary
URE	is Universal Rare Earths Pty Ltd, NuWorld Solutions's wholly owned subsidiary
the Group	is **NuWorld Solutions**, **SYNERGY Australia**, Data-**inCrypt**® and **URE**
ASX	is Australian Securities Exchange
NUW	is NuWorld Solutions's ASX code
NUWOA	is NuWorld Solutions's listed option ASX code
NUWOC	is NuWorld Solutions's listed option ASX code

Corporate Directory

DIRECTORS	**Dr Kevin Moriarty** BSc (Hons),PhD, MAusIMM Executive Chairman **Mathew Whyte** BCom CPA Executive Director & Company Secretary **Michal Safrata** Non-executive Director
COMPANY SECRETARY	**Mathew Whyte** BCom CPA Company Secretary
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	Suite 4, 72 Canning Highway Victoria Park WA 6100 AUSTRALIA Telephone (08) 9355 2565 Facsimile (08) 9355 2575 Email info@datamotion.asia Website www.datamotion.asia
AUDITORS	Grant Thornton Audit Pty Ltd Chartered Accountants Level 1, 10 Kings Park Road West Perth WA 6005
SHARE REGISTRY	Computershare Investor Services Pty Ltd Level 2 Reserve Bank Building 45 St Georges Terrace Perth WA 6000
BANKERS	Australia & New Zealand Banking Group Limited Cnr Hay & Outram Streets West Perth WA 6005
SOLICITORS & CORPORATE ADVISERS	Bennett & Co Level 10 BGC Centre 28 The Esplanade Perth WA 6000
STOCK EXCHANGE	Listed on the Australian Securities Exchange The home Exchange is in Perth, Western Australia
ASX CODE	NUW – fully paid ordinary shares NUWOA – listed options exercisable at 1.0 cent expiring 06 May 13 NUWOC – listed options exercisable at 0.05 cent expiring 29 Mar 13

Directors' Report

The Directors present their report together with the financial report of NuWorld Solutions Limited ("the Company") and of the Consolidated Entity, being the Company and its subsidiaries, for the financial year ended 30 June 2012 and the auditor's report thereon.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of financial year were in customer software development, provision of online data backup and recovery facilities, information technology solutions and holding diversified mineral exploration investments.

Other than the divestment of the mineral exploration investments (refer below), there was no signification change in the nature of these activities during the year.

OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Operating Results

The consolidated operating loss after tax of the Company was $1,098,254 (2011: $953,370).

Comparison with Previous Financial Year's Results (ended 30 June 2011)

1) total revenues from ordinary activities decreased by 85%;
2) net consolidated expenses (excluding impairment charges) decreased by 15%;
3) cash on hand decreased by 66%; and
5) net assets decreased by 62%.

Review of Operations

During the period under review NuWorld Solutions Limited business was an Internet security, systems and services group based in Perth, Western Australia. The groups operations were centred on generating transaction, storage and licensing revenues through its ousourced DataCentre, and Data-**inCrypt**® online data backup & recovery.

(i) TECHNOLOGY

Overview

the NuWorld Solutions Intelligent Information Transport (IIT) platform

…..has three products at its core, being SecureMail, FileTransfer and eForms.

*Data-**inCrypt**® online data backup & recovery*

….is a software solution that selects a file from an end-user's PC and then intelligently arranges, compresses and encrypts that file before transmitting it over the Internet to the DataMotion Asia Pacific DataCentre from where that file can be easily recovered when required. It enables organisations to store critical data offsite, eliminating the capital cost, ongoing maintenance and human error in backing up to tape, CD & DVD, Zip drive, flash memory, removable hard disk etc.

SYNERGY Australia

….operates the NuWorld Solutions SecureMail hosted service, the Data-**inCrypt**® online data backup & recovery service and the suite of e-commerce software products branded the SYNERGY TradeCentre.

(ii) CORPORATE

Overview

NuWorld Solutions Limited

During the financial year, the Company was actively investigating synergistic acquisition or investment opportunities.

The Company is in the process of acquiring Fleurieu Mines NL, which owns a portfolio of highly prospective gold and copper projects in the Gawler Craton of South Australia.

On 29 May 2012, the Company announced it had signed a binding term sheet ("Term Sheet") to acquire 100% of the issued capital of Fleurieu subject to certain conditions, including completion of due diligence, NuWorld shareholder approval, the successful completion of a public capital raising and recompliance with Chapters 1 & 2 of the ASX listing rules as a consequence of a proposed major change to the activities of the Company ("The Transaction").

The company has convened a General Meeting which will be held on 10 October 2012 at Conference Centre, Ground Floor, BGC Centre, 28 The Esplanade, Perth, WA to consider this change of business. The effect of the proposed Transaction is that the nature and scale of the activities of NuWorld will change to focus on mineral exploration.

(iii) INVESTMENT

Overview

Universal Rare Earths

On the 15th December 2010, the Company completed the acquisition of Universal Rare Earths Pty Ltd ("URE"). This included the completion of the three farm-out agreements between URE and Oroya Mining Ltd ("Oroya").

During the year URE withdrew from the three (3) incorporated joint venture farm in agreements with Oroya without earning any interest in the projects. There are no remaining financial commitments associated with the joint ventures.

MaxxZone

During the year NuWorld conducted a due diligence on MaxxZone Pty Ltd (MaxxZone). MaxxZone is developing a unique suite of internet based products and services, the leading product of which is the MaxxZone networking and sales site (www.maxxzone.com). While NuWorld decided not to exercise its option to acquire 100% of the issued capital of MaxxZone the Company retains in investment of 75,000 ordinary shares in MaxxZone which represents approximately 7.5% of the issued capital of MaxxZone.

FINANCIAL POSITION

At the end of the financial year the consolidated entity had $363,544 in cash. The Directors believe that the consolidated entity currently has sufficient capital to effectively continue with its principal activities.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

…that occurred during the financial year were:

- the Company undertook a Board restructure following the resignation of Mr Ian Fisher and Mr Joshua Wellisch and the appointment of Mr Michal Safrata and Mr Mathew Whyte. Mr Michael Robson was appointed as Chairman on 5 September 2011;

- on 4 November 2011 the Company placed 351,000,000 fully paid ordinary shares at a price of 0.04 cents per share to sophisticated shareholders, raising a total of AUD$140,400;
- following approval received at its Annual General Meeting the company changed its name to NuWorld Solutions Limited;
- following the withdrawal from the Mt Barrett join venture farm-in agreement (announced on 31 August 2011) the Directors reviewed the merits of the Company's involvement in the remaining two joint venture farm in agreements with Oroya Mining Limited and decided to withdraw from the Moruya and the Pambula Joint Venture Farm-in and Exploration Agreements by providing Oroya Mining Limited with the required 90 days notice effective from 19 December 2011; and
- on 20 April 2012 the Company has terminated negotiations under the MaxxZone Term Sheet dated 24 October 2011 and will not be proceeding to acquire an option over 100% of the issued capital of MaxxZone.

AFTER REPORTING DATE EVENTS

In July 2012, Dr Kevin Moriarty was appointed as the Executive Chairman and Mr Michael Robson resigned as Non-executive Director.

The Company is in the process of acquiring Fleurieu Mines NL, which owns a portfolio of highly prospective gold and copper projects in the Gawler Craton of South Australia and proposed to be renamed Kingston Resources Limited.

Except for the matters discussed above, there is at the date of this report no other matter or circumstance which has arisen since 30 June 2012 that has significantly affected or may significantly affect:

a) NuWorld Solutions Limited's operations in future financial years; or
b) the results of those operations in future financial years; or
c) NuWorld Solutions Limited's state of affairs in future financial years.

DIVIDENDS OR DISTRIBUTIONS

a) no dividends or distributions were paid to members during the year ended 30 June 2012; and
b) no dividends or distributions were recommended or declared for payment to members, but not paid, during the year ended 30 June 2012.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

To further improve the consolidated entity's financial position and maximise shareholder wealth, NuWorld Solutions Limited is now potentially entering a new phase as a mining and exploration entity. The Company, proposed to be renamed Kingston Resources Limited, is acquiring Fleurieu Mines NL, which owns a portfolio of significant gold and copper projects in the Gawler Craton of South Australia.

INFORMATION ON THE DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

Dr Kevin Moriarty	Executive Chairman – appointed on 20 July 2012
Mr Mathew Whyte	Executive Director and Company Secretary – appointed on 05 September 2011
Mr Michal Safrata	Non-executive Director – appointed on 05 September 2011
Mr Michael A Robson	Non-executive Chairman – appointed on 05 September 2011 and resigned on 20 July 2012
Mr Ian Fisher	Non-executive Chairman – appointed on 17 December 2010 and resigned on 05 September 2011
Mr Joshua J Wellisch	Executive Director and Company Secretary – resigned on 05 September 2011

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Dr Kevin Moriarty, Executive Chairman

term of office:	Executive Chairman of NuWorld Solutions Limited since 20 July 2012.
independent:	No
skills and experience:	Dr Moriarty is a geologist and company director whose career has included acquisition and management of projects in both the petroleum and mineral sectors. His later career has focussed on base and precious metal exploration and development, leading to commissioning of the Angas Zinc mine in South Australia in 2008, and acquisition and management of a major mining project in North Africa. Dr Moriarty is also a Non-executive Chairman of Oroya Mining Limited and was Chairman of miner Terramin Australia Limited for 12 years until May 2011.

Mathew Whyte, Executive Director & Company Secretary

term of office:	Director of NuWorld Solutions Limited since September 2011.
independent:	No
skills and experience:	Mathew is a CPA and a Fellow of the Institute of Company Secretaries. He has over 18 years commercial experience in the financial management, direction and corporate governance of ASX listed companies. He has held senior executive roles on a number of Australian listed entities with operations in Australia and overseas in the biotech, power infrastructure and mining services industries. He is also a Company Secretary of Oroya Mining Limited since November 2011.

Michal Safrata, Non-executive Director

term of office:	Non-executive Director of NuWorld Solutions Limited since September 2011.
independent:	Yes
skills and experience:	Michal is a businessman who has over 10 years experience in managing business of his own and others and was formerly a director of Oroya Mining Limited from December 2010 to July 2012.

Michael A Robson, Chairman (appointed on 05 September 2011 and resigned on 20 July 2012)

term of office:	Non-executive Chairman of NuWorld Solutions Limited since September 2011 and resigned on 20 July 2012.
independent:	Yes
skills and experience:	worked in senior executive management positions both in the financial services industry and in government since 1998 and also been a compliance and risk management consultant since 2001 to the financial services industry. Michael is a member of the Australian Institute of Company Directors, holds a Bachelor of Science (Physics) degree and Bachelor of Laws. He was formerly the Non-executive Chairman and director of NeuroDiscovery Limited from July 2010 to December 2011 and was formerly the Non-executive Chairman of US Nickel Limited from July 2008 to June 2010.

Ian Fisher, Chairman (appointed on 17 December 2010 and resigned 05 September 2011)

term of office:	Non-executive Chairman of NuWorld Solutions Limited since December 2010 and resigned on 05 September 2011.
independent:	Yes
skills and experience:	Ian has held directorships with Erin Resources Pty Ltd as an Executive Director since February 2007, Carnegie Corporation Limited as a Non-executive Director since February 2000 and previously with African Consolidated Resources from January 2003 to January 2007. He is also a Non-executive Director of Ratel Gold listed on the TSX Canada.

Joshua J Wellisch, Executive Director & Company Secretary (resigned 05 September 2011)

term of office:	Executive Director of NuWorld Solutions Limited since January 2011 and resigned on 05 September 2011.
independent:	No
skills and experience:	Joshua has a Bachelor of Science degree from Murdoch University and a Post Graduate Diploma in Project Management from Curtin University. Joshua previously worked as project manager for a major telephone and internet company. He was formerly a director of Oroya Mining Limited from September 2009 to December 2010.

COMPANY SECRETARY

Mathew Whyte is a CPA and a Fellow of the Institute of Company Secretaries. Mathew was appointed Company Secretary on 05 September 2011 and is also a Director of the Company.

DIRECTORS' INTEREST

As at the date of this report the interests of the Directors, held either directly or through entities they control, in the securities of NuWorld Solutions Limited are as follows:

Director	Fully Paid Ordinary Shares (NUW)	Listed Options (NUWOA)	Listed Options (NUWOC)
Direct interest:			
Kevin Moriarty	91,714,286	nil	nil
Michal Safrata	nil	8,000,000	nil
Indirect interest:			
Kevin Moriarty – Kevin Charles Moriarty and Pamela Christine Moriarty atf Towarnie Superannuation Fund	514,285,714	nil	nil
Mathew Whyte - <M&S Whyte Family A/C>	nil	nil	25,000,000
Michal Safrata – Pulpart Pty Ltd	nil	nil	25,000,000

MEETINGS OF DIRECTORS

The following table sets out the number of meetings of NuWorld Solutions Limited's Directors held during the year ended 30 June 2012 and the number of meetings attended by each Director. There were a total of 10 Directors' meetings for the financial year.

Director	Number Eligible to Attend	Number Attended
Michael A Robson	10	10
Mathew Whyte	8	8
Michal Safrata	8	6
Ian Fisher	2	2
Joshua J Wellisch	2	2

DIRECTORS AND AUDITORS INDEMNIFICATION

The Company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate:

a) indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or

b) paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

REMUNERATION REPORT (AUDITED)

Remuneration Policies

This remuneration report outlines the director and executive remuneration arrangements of the Company and the Group for the year ended 30 June 2012 in accordance with the requirements of the Corporations Acts 2001 and its Regulations. For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including a director (whether executive otherwise) of the Company.

Details of key management personnel

K Moriarty	Executive Chairman (appointed after balance date on 20 July 2012)
M Robson	Previously Non Executive Chairman from 5 September 2011 up until 20 July 2012
M Whyte	Executive Director (appointed 5 September 2011)
M Safrata	Non Executive Director (appointed 5 September 2011)
J. Wellisch	Executive Director (resigned 5 September 2011)
I Fisher	Non executive Chairman (resigned 5 September 2011)

Remuneration Philosophy

Nuworld does not have a remuneration committee. The whole board takes on the function of the remuneration committee with independent advice sought as required. The board draws on comparative salary information determined by independent surveys conducted within the Australian mining industry, to gauge the appropriate terms of employment such that the Company is able to offer competitive remuneration to attract and retain the services of quality Directors and employees. The Board meets at least annually to review individual directors and officers remuneration. The Board reviews remuneration packages and policies applicable to executive and non-executive directors and senior executives. Apart from access to Options, the Company does not apply any performance linked remuneration policies at this time and therefore key management personnel remuneration is not linked to company earnings, but may do so if it is considered to be in the Company's interest. The Company's objective is that the remuneration policy aligns with achievement of strategic objectives and the creation of long term value for shareholders.

Remuneration Structure

In accordance with best practice corporate governance, the structure of executive and non-executive director is separate and distinct. The Company does not use specific performance hurdles in determining remuneration or short term rewards.

Executive Remuneration

The Company had an executive Director in its employ during the year ended 30 June 2012.

Executive remuneration comprises of three components:

a) base pay and benefits;

b) other remuneration such as statutory superannuation; and

c) if appropriate, options and equity based compensation.

The Company has entered into a corporate consultant agreement with a Director, Mathew Whyte to act as the Executive Director of the Company via the consulting company Whypro Corporate Services Pty Ltd. The terms include the fee for the provision of the services (including company secretary) as being $720 per day worked (or part thereof) plus GST, payable on such terms to be agreed for a period of twelve months with the commencement effective from 1 September 2011. There are no termination benefits unless paid at the discretion of Directors.

Long –term incentives (LTI) may be provided to key management personnel in the form of Options over ordinary shares of the Company. LTIs are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. Options may only be issed to directors subject to approval by shareholders in general meeting.

During the year 75,000,000 Options (ASX:NUWOC) were issued as LTI. Options that have vested are not forfeited on resignation or termination.

The Options terms have no direct performance requirements, but a premium exercise price and specified time restrictions on the exercise of Options, implies incentive for market share price performance. Management and directors are able to exercise the share Options for up to three years after vesting before the Options lapse. The granting of Options is in substance a performance incentive that allows executives to share the rewards of the success of the Company.

Non-executive Directors' Fees

The total fees paid to non-executive Directors increased to $90,000 per financial year, as approved by shareholders at the Company's 30 November 2010 Annual General Meeting. Fees may also be paid to non-executive Directors for additional consulting services provided to the Company.

Remuneration Details for the Year Ended 30 June 2012

The following table of benefits and payments details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

Table of Benefits and Payments for the Year Ended 30 June 2012

	Short-term benefits	Post-employment benefits	Long-term benefits			
Director	**Salary, fees and leave**	**Superannuation**	**LSL**	**Termination benefits**	**Equity-settled share-based payments - options**	**Total**
Michael A Robson (Chairman) (appointed 05 Sep 2011 & resigned 20 July 2012)						
2012	30,000	-	-	-	12,750	42,750
2011	36,154	-	-	-	24,750	60,904
Mathew Whyte (Executive Director & Company Secretary) (appointed 05 Sep 2011)						
2012	114,880	-	-	-	12,750	127,630
2011	-	-	-	-	-	-
Michal Safrata (Non-executive Director) (appointed 05 Sep 2011)						
2012	25,000	-	-	-	12,750	37,750
2011	-	-	-	-	-	-
Ian Fisher (Non-executive Chairman) (appointed 17 Dec 2010 & resigned 05 Sep 2011)						
2012	4,587	413	-	-	-	5,000
2011	14,926	1,343	-	-	-	16,269
Joshua J Wellisch (Executive Director & Company Secretary) (resigned 05 Sep 2011)						
2012	18,167	-	-	27,250	-	45,417
2011	64,439	894	-	-	24,750	90,083

Patrick J Corr (Non-executive Director) (resigned 17 Dec 2010)						
2012	-	-	-	-	-	-
2011	19,050	812	-	-	24,750	44,612
TOTAL						
2012	192,634	413	-	27,250	38,250	258,547
2011	134,569	3,049	-	-	74,250	211,868

No amounts above were performance related.

Options Granted to Directors

During or since the end of the period, the Company granted the following options over unissued ordinary shares to directors & executives as remuneration:

Class	Expiry date	Exercise price	Date granted	Number of options	Grant date fair value	Vesting date
Listed Options (NUWOC)	29 March 2013	$0.005	7 December 2011	75,000,000	$0.00051	Immediate

	Class of options (as above)	Options awarde	Number vested during year	Number lapsed during year	Value of options granted during year $	Remuneration consisting of share options
M Robson	NUWOC	25,000,000	25,000,000	-	12,750	29.8%
M Whyte	NUWOC	25,,000,000	25,000,000	-	12,750	10%
M Safrata	NUWOC	25,000,000	25,000,000	-	12,750	33.8%

There were no alterations to the terms and conditions of options awarded as remuneration since their award date.
No options have been granted to Directors since the end of the financial year.

End of Remuneration Report

SHARE OPTIONS

At the date of this report the unissued ordinary shares of the Company under option are as follows:

Employee Option Incentive Scheme Options

Grant Date	Date of Expiry	Exercise Price	Held at 01 Jul 11	Issued	Lapsed / Cancelled	Held at 25 Sep 12
19 Aug 09	18 Aug 14	2.5 cents	2,500,000	-	2,500,000	-

Consultant Option Incentive Scheme Options

Grant Date	Date of Expiry	Exercise Price	Held at 01 Jul 11	Issued	Lapsed / Cancelled	Held at 25 Sep 12
11 Dec 07	10 Dec 12	2.5 cents	5,000,000	-	-	5,000,000
04 Jul 08	03 Jul 13	2.5 cents	5,000,000	-	-	5,000,000

The issue of securities to employees pursuant to the Company's Employee Option Incentive Scheme was approved initially at the Company's 2003 AGM and subsequently re-approved by shareholders at the Company's 2006 AGM.

A summary of the terms of the Scheme is as follows:

1) options issued pursuant to the Scheme will be issued free or for a nominal consideration. Nominal consideration is defined as the lesser of 1 cent per option or 1% of the exercise price of the option;
2) the options will be for a term not exceeding 5 years from the date of issue or such longer term as the members of the Company may approve;
3) an optionholder will be entitled to one fully paid ordinary share in the capital of the Company ("Share") for each option exercise;
4) the exercise price of the options will be determined by the Board at the date of each offer;
5) the Scheme is open to employees and directors of the Company, or any Associated Body Corporate of the Company;
6) the options may be exercised any time within the term except where:
    a) the optionholder has not been an employee or Director for at least one year;
    b) the optionholder has failed to comply with the terms and conditions upon which the options were issued;
    c) the optionholder has acted fraudulently, dishonestly or in breach of his or her obligations to the Company or Associated Body Corporate; and
    d) the optionholder has ceased to be an employee or Director in which case if the cause was death, permanent disability or statutory retirement the employee or Director (or their personal representative) has a period of one year to exercise the option after so ceasing, and otherwise a period of 90 days after ceasing.
7) the options will not be listed for quotation on any stock exchange;
8) the options can not be sold, transferred, mortgaged, pledged or otherwise encumbered without the consent of the Board;
9) Shares issued pursuant to the exercise of the options shall rank pari passu in all respects with Shares currently on issue in the Company;
10) the Company will apply for quotation of the Shares issued upon the exercise of the options on the ASX within 10 business days of the option being exercised;
11) an optionholder may only participate in new issues of securities if the option has been exercised prior to the Record Date for determining entitlement to the issue;
12) if the Company makes a pro rata bonus issue of Shares then the option, when exercised, will entitle the holder to receive a bonus issue in respect of the Shares resulting from exercise of the option as if the option had been exercised and the Shares allotted before the Record Date;
13) if the Company makes a pro rata offer of Shares (except a bonus issue) the exercise price of the option may be reduced in accordance with ASX Listing Rule 6.22;
14) in the event of a reorganisation of the capital of the Company, the rights of an optionholder will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation; and
15) within 10 business days of the Company becoming aware of a takeover bid, the Company will give the optionholder an opportunity to exercise the option.

During the year ended 30 June 2011 and 30 June 2012 no ordinary shares in the Company were issued pursuant to the exercise of options. Apart from as described above, there have been no conversions to, calls of, or subscriptions for ordinary shares of issued or potential ordinary shares since the reporting date and before the completion of these financial statements.

No person entitled to exercise an option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

NON-AUDIT SERVICES

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

a) all non-audit services are reviewed by the directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and

b) the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

During the year ended 30 June 2012, there were no non-audit services provided by Grant Thornton Audit Pty Ltd.

AUDITORS' INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on the following page.

Pursuant to section 298(2) Corporations Act, this Directors' Report:

a) is made in accordance with a resolution of the Directors; and

b) is dated 25 September 2012; and

c) is signed by Dr Kevin Moriarty .

Kevin Moriarty

KEVIN MORIARTY
Executive Chairman
Perth, Western Australia
25 September 2012

Grant Thornton Audit Pty Ltd
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Auditor's Independence Declaration
To the Directors of Nuworld Solutions Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Nuworld Solutions Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2012

Statement of Comprehensive Income

	Notes	Consolidated Group	
		2012	2011
		$	$
Sales revenue	2	72,259	110,680
Cost of sales		-	-
Gross profit		72,259	110,680
Other revenue	2	19,622	494,127
Administrative expenses		(312,366)	(438,261)
Consultant and legal fees		(273,409)	(206,907)
Depreciation and amortisation expenses	3	(15,346)	(24,754)
Director fees		(130,004)	(56,386)
Director options expense		(38,250)	(74,250)
Employee benefit expense	3	(25,159)	(130,996)
Impairment of financial assets	3	(50,000)	(13)
Write off capitalised exploration expenditure	3	(321,036)	(575,455)
Write off fixed and intangible assets	3	(24,565)	(49,805)
Other expenses	3	-	(1,350)
(Loss) before income tax expense		(1,098,254)	(953,370)
Income tax expense	4	-	-
(Loss) for the year		(1,098,254)	(953,370)
Other comprehensive income / (loss) – net of tax		-	-
Total comprehensive (loss) for the year		(1,098,254)	(953,370)
Basic loss per share (cents)	7	(0.028)	(0.030)
Diluted loss per share (cents)	7	(0.028)	(0.030)

The accompanying notes form part of these financial statements.

Statement of Financial Position

	Notes	Consolidated Group	
		2012	2011
		$	$
Current assets			
Cash and cash equivalents	8	363,544	1,059,942
Trade and other receivables	9	16,251	30,380
Financial assets	10	40,000	-
Other current assets	14	3,412	3,609
Total current assets		423,207	1,093,931
Non-current assets			
Property, plant and equipment	12	20,363	42,061
Intangible assets	13	999	19,212
Capitalised exploration expenditure	24	-	372,984
Total non-current assets		21,362	434,257
Total assets		444,569	1,528,188
Current liabilities			
Trade and other payables	15	17,643	381,846
Provisions	16	-	1,565
Total current liabilities		17,643	383,411
Total liabilities		17,643	383,411
Net assets		426,926	1,144,777
Equity			
Issued capital	17	40,850,285	40,469,882
Accumulated losses		(40,515,625)	(39,425,897)
Reserves		92,266	100,792
Total equity		426,926	1,144,777

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

Statements of Changes in Equity

Consolidated Group

	Issued Capital Ordinary Shares $	Issued Capital Listed Options $	Accumulated Losses $	Reserves $	Total Equity $
Balance at 1 July 2010	**38,259,423**	**690,940**	**(38,902,471)**	**530,736**	**578,628**
Loss for the year	-	-	(953,370)	-	(953,370)
Total comprehensive loss for the year	38,259,423	690,940	(39,855,841)	530,736	(374,742)
Transactions with shareholders					
Issue of share capital	1,550,000	-	-	-	1,550,000
Capital raising costs	(132,809)	-	-	-	(132,809)
Issue of listed options	-	30,750	-	-	30,750
Capital raising costs	-	(2,672)	-	-	(2,672)
Directors options issued	-	74,250	-	-	74,250
Share-based payments	-	-	429,944	(429,944)	-
Balance at 30 June 2011	**39,676,614**	**793,268**	**(39,425,897)**	**100,792**	**1,144,777**
Balance at 1 July 2011	**39,676,614**	**793,268**	**(39,425,897)**	**100,792**	**1,144,777**
Loss for the year	-	-	(1,098,254)	-	(1,098,254)
Total comprehensive loss for the year	39,676,614	793,268	(40,524,151)	100,792	46,523
Transactions with shareholders					
Issue of share capital	352,500	-	-	-	352,500
Capital raising costs	(8,424)	-	-	-	(8,424)
Issue of listed options	-	-	-	-	-
Capital raising costs	-	(2,673)	-	-	(2,673)
Directors options issued	-	39,000	-	-	39,000
Share-based payments lapsed	-	-	8,526	(8,526)	-
Balance at 30 June 2012	**40,020,690**	**829,595**	**(40,515,625)**	**92,266**	**426,926**

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

Statement of Cash Flows

	Notes	Consolidated Group	
		2012 $	2011 $
Cash flows from operating activities			
Receipts from customers		74,922	116,835
Interest received		20,958	55,857
Payments to suppliers and employees		(762,435)	(838,291)
Net cash (used in) operating activities	21	(666,555)	(665,599)
Cash flows from investing activities			
Proceeds from sale of equity investments		-	-
Proceeds from sale of property, plant and equipment		-	530,000
Payment for equity investments		(40,000)	-
Payment for intangibles		-	(999)
Payment for purchase of property, plant and equipment		-	(10,986)
Payment for exploration and evaluation		(281,997)	(309,475)
Payment for option fee		(50,000)	-
Net cash provided by / (used in) investing activities		(371,997)	208,540
Cash flows from financing activities			
Proceeds from issue of shares and options		353,250	1,250,750
Capital raising costs		(11,096)	(115,822)
Net cash provided by financing activities		342,154	1,134,928
Net change in cash and cash equivalents held		(696,398)	677,869
Cash and cash equivalents at beginning of financial year		1,059,942	382,073
Cash and cash equivalents at end of financial year	8	**363,544**	**1,059,942**

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

Notes to the Financial Statements

This financial report includes the consolidated financial statements and notes of NuWorld Solutions Limited and controlled entities ('Consolidated Group' or 'Group').

Note 1: Statement of Significant Accounting Policies

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

Statement of Compliance

Compliance with Australian Accounting Standards ensures that the financial statements and notes of NuWorld Solutions Limited and its controlled entities comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the directors on 25 September 2012.

Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Third Statement of Financial Position

Two comparative periods are presented for the statement of financial position when the Group:

i Applies an accounting policy retrospectively;

ii Makes a retrospectively restatement of items in its financial statements, or

iii Reclassifies items in the financial statements.

We have determined that only one comparative period for the statement of financial position was required for the current reporting period as the application of the new accounting standards have had no material impact on the previously presented primary financial statements that were presented in the prior year financial statements.

Significant Accounting Policies

a) **Principles of Consolidation**

A controlled entity is any entity that NuWorld Solutions Limited has the power to control the financial and operating policies of so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a June financial year-end.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-company balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Minority interest, being that portion of the profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the Group, are shown separately within the equity section of the consolidated statement of financial position and in the consolidated statement of comprehensive income.

Business combination

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (ie parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated accounts, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer.

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

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of comprehensive income unless the change in value can be identified as existing at acquisition date.

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

b) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income). Current and deferred income tax expense (income) is charged or credited directly to other comprehensive income instead of the profit or loss when the tax relates to items that are credited or charged directly to other comprehensive income.

Current tax

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.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it s intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur.

Deferred tax

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

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

Deferred tax assets and liabilities are 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.

Tax consolidation

DataMotion Asia Pacific Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liability (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 July 2003.

c) Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal.

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

Depreciation

The depreciable amount of all fixed assets is depreciated using the diminishing value method commencing from the time the asset is held ready for use.

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

Class of Fixed Assets	Depreciation Rate
Plant and equipment	5-40%
Software	40%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

d) Financial Instruments

Initial recognition and measurement

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

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Classification and subsequent measurement

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in profit or loss in the period in which they arise.

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 stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets that are either designated as such or that are not classified in any of the categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are held at fair value with changes in fair value taken through the financial assets reserve directly to other comprehensive income.

Financial liabilities

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

Fair value

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

Impairment

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 significant and prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in the financial assets reserve in other comprehensive income.

e) Impairment of Non-Financial 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.

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.

f) Intangibles

Patents and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Patents and trademarks are amortised over their useful life being 10 years.

Rights and licences

Rights and licences are recognised at cost of acquisition. Rights and licences have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Rights and licences are amortised over their useful life being 10 years.

g) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

h) Employee Benefits

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

Equity-settled compensation

The Group operates a share-based compensation plan which includes a share option arrangement. The bonus element over the exercise price of the employee's services rendered in exchange for the grant of options is recognised as an expense in the statement of comprehensive income, with a corresponding increase to an equity account. The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares of the options granted. The fair value of options is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions.

i) Cash and Cash Equivalents

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

j) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

k) Revenue

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

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

l) Exploration and Development Expenditure

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

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

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

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

Costs of site restoration are provided over the life of the project 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 local laws and regulations and clauses of the 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.

m) 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 Taxation 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.

n) Comparative Figures

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

o) Going Concern

The consolidated entity has incurred operating losses of $1,098,254 (2011: $953,370) and negative operating cash flows of $666,555 (2011: $665,599) for the year ended 30 June 2012.

The financial statements have been prepared on the basis of going concern which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The Directors consider this to be appropriate for the following reasons:

- the ability to vary the consolidated entity’s cost structure and in turn the levels of cash burn dependent on the level of achievement of certain milestones within the business plan;
- the demonstrated ability to obtain funding through equity issues as required;and.
- On 29 May 2012, the Company announced it had signed a binding term sheet (“Term Sheet”) to acquire 100% of the issued capital of Fleurieu subject to certain conditions, including completion of due diligence, NuWorld shareholder approval, the successful completion of a public capital raising and recompliance with Chapters 1 & 2 of the ASX listing rules as a consequence of a proposed major change to the activities of the Company (“The Transaction”). As at the date of this report the outcome of the Shareholders meeting on 10 October 2012 and the Transaction is uncertain.

The Directors recognise the above factors create material uncertainty as the Company’s ability to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts state in the financial report. However, by taking into account the points noted above, the Directors are confident the Company has adequate resources to continue in operational existence for the foreseeable future.

Critical Accounting Estimates and Judgements

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

Key estimates – Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

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 with the assistance of an external valuer using a binomial model. The related assumptions are detailed in Note 22. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience and manufacturers' warranties (for plant and equipment). In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Exploration and evaluation of expenditure

Costs arising from exploration and evaluation activities are carried forward provided the rights to tenure of the area of the interest are current and such costs are expected to be recouped through successful development, or by sale, or where exploration and evaluation activities have not, at balance date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves. Costs carried forward in respect of an area of interest that is abandoned are written off in the year in which the decision to abandon is made. The carrying value of the capitalised exploration and evaluation expenditure is assessed for impairment whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

The Group has applied AASB 6 Exploration for and Evaluation of Mineral Resources, the Australian equivalent to IFRS 6, in preparing its financial statements.

Impairment

The carrying value of capitalised exploration and evaluation expenditure is assessed for impairment at the cash generating unit level whenever facts and circumstances suggest that the carrying amount of the asset may exceed its recoverable amount.

An impairment exists when the carrying amount of an asset or cash generating unit exceeds its estimated recoverable amount. The asset or cash generating unit is then written down to the recoverable amount. Any impairment losses are recognised in the Statement of Comprehensive Income.

Carbon Tax Scheme

On July 2011, the Commonwealth Government accounted the "Securing a Clean Energy Future- the Australian Government's Climate Change Plan". Whilst the announcement provides further details of the framework for a carbon pricing mechanism, uncertainties continue to exist on the impact of any carbon pricing mechanism on the Group as legislation must be voted on and passed by both houses of parliament. In addition, as the Group will not fall within the "Top 500 Australian Polluters", the impact of the Carbon Scheme will be through indirect effects of increased prices on many production inputs and general business expenses as suppliers subject to the carbon pricing mechanism are likely to pass on their carbon price burden to their customers in the form of increased prices. The board e4xpects that this will not have a significant impact upon the operational costs within the business, and therefore will not have an impact upon the valuation of assets and/ or going concern of the business.

	Consolidated Group	
	2012	2011
	$	$
2. REVENUE		
Sales revenue		
Sales	72,259	110,680
Other revenue		
Interest from:		
Other unrelated persons	18,974	63,362
Total interest	18,974	63,362
Gain on sale of non-current assets	-	426,746
Other	648	4,019
Total other revenue	19,622	494,127
Total revenue	91,881	604,807

3. RESULT FOR THE YEAR

	2012	2011
(a) Depreciation and amortisation of non-current assets		
Depreciation of:		
- plant and equipment	10,559	18,502
- software	832	1,307
Amortisation of:		
- licences	2,946	2,938
- software	-	851
- trademarks	1,009	1,156
Total depreciation and amortisation	15,346	24,754
(b) Employee benefit expense		
Wages and salaries	16,347	118,861
Defined contribution superannuation expense	1,519	13,370
Share-based payments expense	-	-
Other employee benefits expense	7,293	(1,235)
Total employee benefit expenses	25,159	130,996
(c) Impairment of financial assets		
Impairment of financial assets	50,000	13
Total impairment	50,000	13

An impairment charge of $50,000 has been recognised during the year is related to option fee paid to MaxxZone. The company retains a shareholding of 75,000 shares in the issued capital of MaxxZone.

	2012	2011
(f) Impairment of receivables		
Trade receivables	-	1,350
Total impairment	-	1,350
(d) Write off capitalised exploration expenditure		
Mt Barrett Project	17,566	575,455
Moruya Project	154,347	-
Pambula Project	149,123	-
Total write off	321,036	575,455

		Consolidated Group	
		2012	2011
		$	$
(e)	**Write off fixed and intangible assets**		
	Write off fixed assets	10,307	-
	Write off intangible assets	14,258	49,805
	Total write off	24,565	49,805

4. INCOME TAX

		Consolidated Group	
		2012	2011
		$	$
(a)	**Income tax recognised in profit and loss**		
	The prima facie tax expense (benefit) on operating result is reconciled to the income tax provided in the statement of comprehensive income as follows:		
	Accounting loss before income tax	(1,098,254)	(953,370)
	Income tax expense (benefit) calculated at 30%	(329,476)	(286,011)
	Non deductible expenses	35,080	2,068
	Unused tax losses and temporary differences not recognised as deferred tax assets	294,396	283,943
	Income tax expense (benefit)	-	-

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

		2012	2011
(b)	**Unrecognised deferred tax balances**		
	The following deferred tax assets and liabilities have not been brought to account:		
	Unrecognised deferred tax assets comprise:		
	Losses available for offset against future taxable	6,868,370	6,688,041
	Accrued expenses and liabilities	288	1,128
	Capital raising costs	41,161	61,094
	Impairment	1,248,757	1,248,757
	Legal fees	21,258	10,055
		8,179,834	8,009,075
	Unrecognised deferred tax liabilities comprise:		
	Mineral exploration	-	111,895

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the company can utilise the benefits from.

The potential deferred tax assets will only be obtained if:

(i) the company derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the Income Tax Assessment Act 1997;

(ii) the company continues to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the company in realising the benefits.

Tax Consolidation

Effective 1 July, 2003, for the purposes of income taxation, the Company and its 100% wholly-owned subsidiaries formed a tax consolidated group; the head entity of the tax consolidated group is NuWorld Solutions Limited.

5. INTERESTS OF KEY MANAGEMENT PERSONNEL

(a) Key management personnel compensation

Key management personnel (KMP) remuneration has been included in the Remuneration Report section of the Directors' Report.

The totals of remuneration paid to KMP of the Group during the 2012 and 2011 reporting periods are as follows.

	Consolidated Group	
	2012 $	2011 $
Short-term employee benefits	192,634	134,569
Post-employment benefits	413	3,049
Other long-term benefits	-	-
Termination benefits	27,250	-
Share-based payments	38,250	74,250
Total	258,547	211,868

(b) Options holdings of key management personnel

The number of unlisted options over ordinary shares held by each KMP of the Group during the 2012 and 2011 reporting periods are as follows.

	Balance 01 Jul 11	Granted	Exercised	Other changes	Vested and exercisable at the end of the year	Vested and un-exercisable at the end of the year
2012						
Michael A Robson	-	-	-	-	-	-
Mathew Whyte	-	-	-	-	-	-
Michal Safrata	-	-	-	-	-	-
Ian Fisher	-	-	-	-	-	-
Joshua J Wellisch	-	-	-	-	-	-
Total	-	-	-	-	-	-

	Balance 01 Jul 10	Granted	Exercised	Other changes	Vested and exercisable at the end of the year	Vested and un-exercisable at the end of the year
2011						
Michael A Robson	-	-	-	-	-	-
Ian Fisher	-	-	-	-	-	-
Joshual J Wellisch	-	-	-	-	-	-
Patrick J Corr	-	-	-	-	-	-
Total	-	-	-	-	-	-

(c) Rights holdings of key management personnel

The number of listed options over ordinary shares held by each KMP of the Group during the 2012 and 2011 reporting periods are as follows.

	Balance 01 Jul 11	Granted	Exercised	Other changes	Vested and exercisable at the end of the year	Vested and un-exercisable at the end of the year
2012						
Michael A Robson	25,000,000	25,000,000	-	-	50,000,000	-
Mathew Whyte	-	25,000,000	-	-	25,000,000	-
Michal Safrata	-	25,000,000	-	-	25,000,000	-
Ian Fisher	-	-	-	-	-	-
Joshua J Wellisch	25,000,000	-	-	-	25,000,000	-
Patrick J Corr	25,000,000	-	-	-	25,000,000	-
Total	75,000,000	75,000,000	-	-	150,000,000	-

	Balance 01 Jul 10	Granted	Exercised	Other changes	Vested and exercisable at the end of the year	Vested and un-exercisable at the end of the year
2011						
Michael A Robson	-	25,000,000	-	-	25,000,000	-
Ian Fisher	-	-	-	-	-	-
Joshual J Wellisch	-	25,000,000	-	-	25,000,000	-
Patrick J Corr	-	25,000,000	-	-	25,000,000	-
Total	-	75,000,000	-	-	75,000,000	-

(d) Share holdings of key management personnel

The number of ordinary shares in the Company held by each KMP of the Group during the 2012 and 2011 reporting periods are as follows.

	Balance 01 Jul 11	Granted	Received on exercise	Other changes	Held at the end of the reporting period
2012					
Michael A Robson	4,000,000	-	-	-	4,000,000
Mathew Whyte	-	-	-	-	-
Michal Safrata	-	-	-	-	-
Ian Fisher	125,000,000	-	-	-	125,000,000
Joshua J Wellisch	-	-	-	-	-
Total	129,000,000	-	-	-	129,000,000

	Balance 01 Jul 10	Granted	Received on exercise	Other changes	Held at the end of the reporting period
2011					
Michael A Robson	4,000,000	-	-	-	4,000,000
Ian Fisher	-	-	-	125,000,000	125,000,000
Joshua J Wellisch	-	-	-	-	-
Patrick J Corr	-	-	-	-	-
Total	4,000,000	-	-	125,000,000	129,000,000

(e) Other KMP transactions

There have been no other transactions involving equity instruments other than those described in the tables above. For details of other transactions with KMP, refer to Note 23 Related Party Transactions.

	Consolidated Group	
	2012	2011
	$	$
6. AUDITOR REMUNERATION		
Grant Thornton Audit Pty Ltd		
Remuneration of the auditor of the Company for:		
- auditing or reviewing the financial statements	25,864	19,545
- non-audit services	-	-
Total	25,864	19,545

		Consolidated Group	
		2012	2011
		$	$
7.	**LOSS PER SHARE**		
(a)	Basic loss per share (cents per share)	(0.028)	(0.030)
(b)	Diluted loss per share (cents per share)	(0.028)	(0.030)
(c)	Weighted average number of ordinary shares on issue used in the calculation of basic loss per share	3,971,324,080	3,222,139,086
(d)	Loss used in calculation of basic loss per share	$1,098,254	$953,370

There are no dilutive potential ordinary shares as the exercise of options to ordinary shares would have the effect of decreasing the loss per ordinary share and would therefore be non-dilutive.

8. CASH & CASH EQUIVALENTS

Cash at bank and in hand	202,944	280,574
Short-term deposits	160,600	779,368
Total	363,544	1,059,942

Cash at bank earns interest at floating rates based on daily deposit rates. The carrying amounts of cash and cash equivalents represent fair value. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rate at 4.50% per annum.

9. TRADE AND OTHER RECEIVABLES

Current		
Trade receivables	6,364	8,379
Other receivables	9,887	22,001
Provision for impairment of receivables	-	-
Total current trade and other receivables	16,251	30,380

Provision for Impairment of Receivables

Current trade and other receivables are non-interest bearing loans and generally on 30 days terms. A provision for impairment is recognised when there is an objective evidence that an individual trade or other receivable is impaired. These amounts have been included in the other expenses item. Movement in the provision for impairment of receivables is as follows:

At 1 July	-	(7,282)
Provision for impairment recognised in the year	-	-
Receivables written off as uncollectible	-	3,263
Unused amount reversed	-	4,019
Balance at 30 June	-	-

Credit Risk – Trade and Other Receivables

The Group has no significant concentration of credit risk with respect to any single counter party or group of counter parties other than those receivables specifically provided for as mentioned within this note. The class of assets described as Trade and Other Receivables is considered to be the main source of credit risk related to the Group.

The following table details the Group's trade and other receivables exposed to credit risk with ageing analysis and impairment provided thereon. Amounts are considered to be "past due" when the debt has not been settled within the terms and conditions agreed.

			Past due but not impaired (days overdue)				
	Gross amount	Past due and impaired	<30	31 - 60	61 - 90	> 90	Within initial trade terms
	$	$	$	$	$	$	$
Consolidated Group 2012							
Trade receivables	6,364	-	-	30	-	-	6,334
Other receivables	9,887	-	-	-	-	-	9,887
Total	16,251	-	-	30	-	-	16,221
2011							
Trade receivables	8,379	-	-	885	885	119	6,490
Other receivables	22,001	-	-	-	-	-	22,001
Total	30,380	-	-	885	885	119	28,491

	Consolidated Group	
	2012	2011
	$	$
10. FINANCIAL ASSETS		
Financial assets at fair value through profit and loss:		
At fair value		
Shares in listed entities	40,000	-
	40,000	-

Financial assets at fair value through profit and loss consist of investments in ordinary shares, and therefore have no fixed maturity or coupon rate.

(i) Listed shares

The fair value of listed shares has been determined directly by reference to published price quotations in an active market.

There are no individually material investments.

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. There is no impairment charge has been recognised during the year.

11. CONTROLLED ENTITIES

Name	Country of Incorporation	Beneficial Percentage Interest Held By Economic Entity	
		2012 %	2011 %
School of the Net Pty Ltd	Australia	100	100
Synergy Business Solutions Australia Pty Ltd	Australia	100	100
Data-**inCrypt**® Pty Ltd	Australia	100	100
Universal Rare Earths Pty Ltd	Australia	100	100

	Consolidated Group	
	2012	2011
	$	$
12. PROPERTY, PLANT AND EQUIPMENT		
Computing plant and equipment – at cost	836,162	1,739,640
Additions	-	10,868
Disposals	-	(914,346)
Write off	(576,346)	-
Closing balance	259,816	836,162
Accumulated depreciation		
Opening balance	804,434	1,617,107
Depreciation for the year	9,632	16,413
Disposals	-	(829,086)
Write off	(566,039)	-
Closing balance – accumulated depreciation	248,027	804,434
Net book value – computing plant and equipment	11,789	31,728
Office, furniture and equipment – at cost	20,211	366,023
Disposals	-	(345,812)
Closing balance	20,211	20,211
Accumulated depreciation		
Opening balance	11,955	337,177
Depreciation for the year	927	2,089
Disposals	-	(327,311)
Closing balance – accumulated depreciation	12,882	11,955
Net book value – office, furniture and equipment	7,329	8,256
Software – at cost	377,863	377,745
Additions	-	118
Closing balance	377,863	377,863
Accumulated depreciation		
Opening balance	375,786	374,479
Depreciation for the year	832	1,307
Closing balance – accumulated depreciation	376,618	375,786
Net book value – software	1,245	2,077
Total property, plant and equipment, net	20,363	42,061

	Computing, plant and equipment $	Office, furniture and equipment $	Software $	Total $
(a) Movements in carrying amounts				
Balance at 1 Jul 11	31,728	8,256	2,077	42,061
Additions	-	-	-	-
Write off	(10,307)	-	-	(10,307)
Depreciation expense	(9,632)	(927)	(832)	(11,391)
Balance at 30 Jun 12	11,789	7,329	1,245	20,363
Balance at 1 Jul 10	122,533	28,846	3,266	154,645
Additions	10,868	-	118	10,986
Disposals	(85,260)	(18,501)	-	(103,761)
Depreciation expense	(16,413)	(2,089)	(1,307)	(19,809)
Balance at 30 Jun 11	31,728	8,256	2,077	42,061

	Consolidated Group	
	2012 $	2011 $
13. INTANGIBLE ASSETS		
Formation costs		
Opening balance	995	995
Write off	(995)	-
Closing balance	-	995
Goodwill on acquisition		
Opening balance	999	-
Acquired through business combination	-	999
Closing balance	999	999
Licences & Software		
Opening balance	13,135	62,418
Amortisation	(2,946)	(3,789)
Write off	(10,189)	(45,494)
Closing balance	-	13,135
Trade marks		
Opening balance	4,083	9,550
Amortisation	(1,009)	(1,156)
Write off	(3,074)	(4,311)
Closing balance	-	4,083
Total intangible assets	999	19,212

Licences & software have been acquired and are carried at cost less accumulated impairment losses. These intangible assets have been determined to have 10 years useful life. The licences and software have been granted for a minimum of ten years by the relevant agency with the option of renewal without significant cost at the end of this period provided that the entity meets certain predetermined targets. Licences and software are subject to impairment testing on an annual testing or whenever there is an indication of impairment. An aggregate amount of $10,189 write off has been recognised in 2012 (2011: $45,494).

	Consolidated Group 2012 $	Consolidated Group 2011 $
14. OTHER CURRENT ASSETS		
Prepayments	3,412	3,609
Total	3,412	3,609
15. TRADE AND OTHER PAYABLES		
Trade payables – unsecured	2.692	377,832
Other payables and accruals	14,951	4,014
Amounts payable to:		
- key management personnel related entities	-	-
Total	17,643	381,846

Given the short term nature of these amounts, their carrying value approximates their fair value.

	Consolidated Group 2012 $	Consolidated Group 2011 $
16. PROVISIONS		
Employee Benefits		
Current	-	1,565
Non-current	-	-
Total	-	1,565

	Short-term Employee Benefits $	Long-term Employee Benefits $	Total $
Movement of provision			
Consolidated Group			
Opening balance at 1 Jul 11	1,565	-	1,565
Additional provisions	126	-	126
Amounts used	-	-	-
Unused amount reversed	(1,691)	-	(1,691)
Balance at 30 Jun 12	-	-	-

17. (a) ISSUED CAPITAL

	Consolidated Group			
	30 June 2012		30 June 2011	
	Number of Shares	$	Number of Shares	$
Movements in contributed equity for the year				
Balance at the beginning of the year	3,690,022,710	39,676,614	1,977,522,710	38,259,423
Shares issued during the current financial year:				
Ordinary shares at 0.04 cents on 04 November 2011	351,000,000	140,400		-
- Ordinary shares at 0.035 cents on 29 May 2012	606,000,000	212,100		-
Shares issued during the previous financial year:				
Ordinary shares at 0.08 cents on 05 August 2010		-	200,000,000	160,000
-Ordinary shares at 0.08 cents on 08 October 2010		-	1,362,500,000	1,090,000
- Ordinary shares at 0.20 centson 16 December 2010		-	150,000,000	300,000
Less capital raising costs		(8,424)		(132,809)
Total contributed equity	4,647,022,710	40,020,690	3,690,022,710	39,676,614

The company has authorised share capital amounting to 4,647,022,710 fully paid ordinary shares of no par value. At shareholders' meetings each fully paid ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

	Consolidated Group			
	30 June 2012		30 June 2011	
	Number of Shares	$	Number of Shares	$
(b) Listed Options				
Listed options (ASX code: NUWOA)	1,130,394,439	690,940	1,130,394,439	690,940
Listed options (ASX code: NUWOC)	2,496,250,000	138,655	2,421,250,000	102,328
Total listed options	3,626,644,439	829,595	3,,551,644,439	793,268
Movements in listed options for the year				
Listed options (ASX code: NUWOA)				
Balance at the beginning of the year	1,130,394,439	690,940	1,130,394,439	690,940
Listed options issued during the current financial year	-	-	-	-
Listed options issued during the previous financial year	-	-	-	-
Less capital raising costs		-		-
Total listed options	1,130,394,439	690,940	1,130,394,439	690,940
Listed options (ASX code: NUWOC)				
Balance at the beginning of the year	2,421,250,000	102,328	-	-
Listed options issued during the current financial year:				-
- Options issued at 0.001 cents on 07 December 2011	75,000,000	39,000		
Listed options issued during the previous financial year:				
- Options issued at no cost on 08 October 2010		-	2,316,250,000	-
- Options issued at 0.001 cents on 20 October 2010		-	30,000,000	30,000
- Options isuued at 0.001 cents on 01 December 2010		-	75,000,000	75,000
Less capital raising costs		(2,673)		(2,672)
Total listed options	2,496,250,000	138,655	2,421,250,000	102,328

Option holders do not have any right, by virtue of the option, to vote, to participate in dividends or to the proceeds on winding up of the Company.

During the financial year no fully paid ordinary share were issued as a result of the exercise of options. No ordinary shares have been issued since the end of the financial year as a result of the exercise of options.

(c) Options

(i) For information relating to the Company's employee and consultant option scheme, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year end, refer to Note 22 Share-based Payments.

(ii) For information relating to share options issued to key management personnel during the financial year, refer to the Directors' Report.

(d) Capital Management

Management controls the capital of the Group in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing its financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management debts levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

The gearing ratios for the year ended 30 June 2012 and 30 June 2011 are as follows:

	Consolidated Group	
	2012 $	2011 $
Total borrowings	17,643	381,846
Less cash and cash equivalents	(363,544)	(1,059,942)
Net debt	(345,901)	(678,096)
Total equity	426,926	1,144,777
Total capital	81,025	466,681
Gearing ratio (Net debt / Total equity)	(81.02%)	(59.23%)

18. RESERVES

(a) Share-based Payment Reserve

The share-based payment reserve records items recognised as expenses on valuation of unlisted employee and consultant option incentive scheme options. Refer to Note 22 Share-based Payments for further details.

19. COMMITMENTS

The Directors are not aware of any material contingent liability at the date of these financial statements.

20. SEGMENT REPORTING

Identification of reportable segments

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

The Group is managed primarily on the basis of functions within the Group, since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

The Group comprise of the following segments:

- NuWorld Solutions SecureMail & IIT platform – a powerful, cost effective, and easy to use service that encrypts messages between an organisation and its business partners and customers.
- Hosted services – including co-location of customer equipment in the DataMotion Asia Pacific DataCentre and the hosting of Internet services such as web sites and extranets.
- Data-**inCrypt**® online backup & recovery – selects a file from an end-user's PC and then intelligently arranges, compresses and encrypts that file before transmitting it over the internet to the DataMotion Asia Pacific server, from where that file can be easily recovered when required.
- Mineral Exploration – during the year the Company withdrew from three farm-in projects including the Mt Barrett project in Western Australia, Pambula gold project and Moruya gold project which are both located in south-eastern New South Wales.

Basis of accounting for purposes of reporting by operating segments

Accounting policies and inter-segment transactions

Unless stated otherwise, all amounts reported to the board of directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group. There are no inter-segment transactions.

Segment assets and segment liabilities

Segment assets and segment liabilities are reviewed by the chief operating decision maker on a consolidated basis except for assets and liabilities that related to the Mineral Exploration segment.

Unallocated items

Unless indicated otherwise the following items are not allocated to operating segments as they are not considered part of the core operations of any segment:

- cash and cash equivalents;
- trade and other receivables;
- available for sale financial assets;
- other current assets;
- property, plant and equipment;
- intangible assets;
- interest revenue;
- net gain on disposal of available-for-sale of financial assets;
- net gain on disposal of plant and equipment;

- administration costs; and
- employee benefit expenses (including share-based payments).

	NuWorld Solutions SecureMail & IIT platform	Hosted services	Online backup & recovery	Mineral exploration	Consolidated
	$	$	$	$	$
As at 30 June 2012					
Revenue					
External sales	-	60,000	12,259	-	72,259
Other revenue	648	-	-	-	648
Inter-segment sales	-	-	-	-	-
Total segment revenue	648	60,000	12,259	-	72,907
Interest revenue					18,974
Total group revenue					91,881
Result					
Segment net loss before tax	648	(10,624)	11,953	(321,036)	(319,059)
Amounts not included in segment result but reviewed by the Board:					
Unallocated revenue as above					18,974
Depreciation and amortisation					(15,346)
Unallocated items:					
Administration costs					(757,664)
Employee benefit expenses					(25,159)
Net loss before tax					(1,098,254)
As at 30 June 2011					
Revenue					
External sales	5,892	60,000	44,788	-	110,680
Other revenue	-	-	-	-	-
Inter-segment sales	-	-	-	-	-
Total segment revenue	5,892	60,000	44,788	-	110,680
Interest revenue					63,362
Net gain on disposal of plant and equipment					426,746
Other – reversal of impairment of debtor					4,019
Total group revenue					604,807
Result					
Segment net loss before tax	5,892	(31,593)	44,208	(575,455)	(556,948)
Amounts not included in segment result but reviewed by the Board:					
Unallocated revenue as above					494,127
Depreciation and amortisation					(24,754)
Unallocated items:					
Administration costs					(734,799)
Employee benefit expenses					(130,996)
Net loss before tax					(953,370)

	NuWorld Solutions SecureMail & IIT platform	Hosted services	Online backup & recovery	Mineral Exploration	Consolidated
	$	$	$	$	$
As at 30 June 2012					
Assets					
Capitalised exploration expenditure	-	-	-	-	-
Total segment assets	-	-	-	-	-
Amounts not included in segment assets but reviewed by the Board:					
Cash and cash equivalent					363,544
Trade and other receivables					16,251
Available for sale financial assets					40,000
Other current assets					3,412
Property, plant and equipment					20,363
Intangible assets					999
Total assets as per the statement of financial position					444,569
As at 30 Jun 2011					
Assets					
Capitalised exploration expenditure	-	-	-	372,984	372,984
Total segment assets	-	-	-	372,984	372,984
Amounts not included in segment asset but reviewed by the Board:					
Cash and cash equivalent					1,059,942
Trade and other receivables					30,380
Other current assets					3,609
Property, plant and equipment					42,061
Intangible assets					19,212
Total assets as per the statement of financial position					1,528,188

21. CASH FLOW INFORMATION

(a) Reconciliation to Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash and cash equivalents are as reported above.

	Consolidated Group	
	2012	2011
	$	$
Reconciliation of Loss from Ordinary Activities to Net Cash Flows from Operating Activities		
Loss for the year	(1,098,254)	(953,370)
Non-cash flows in loss		

Amortisation	3,955	4,945
Bad debts	-	1,350
Depreciation	11,391	19,809
Director option	38,250	74,250
Discount given	-	450
Impairment – investments	50,000	-
Impairment – provision of debtors	-	(4,019)
Write off – capitalised exploration expenditure	321,036	575,455
Write off – intangible assets	24,565	49,805
Profit on sale of non-current assets	-	(426,746)
Provision for diminution - shares	-	13
Changes in assets and liabilities		
(Increase) / decrease in trade & other receivables	11,278	(8,934)
(Increase) / decrease in prepayments	197	2,701
Increase / (decrease) in trade payables	(41,195)	35,958
Increase / (decrease) in other payables & accruals	13,787	(23,979)
Increase / (decrease) in prepaid revenue	-	(7,075)
Increase / (decrease) in provisions	(1,565)	(6,212)
Net cash flows from operating activities	(666,555)	(665,599)

(b) Non-cash Investing Activities

(i) Listed option issue

During the year, a total of 75,000,000 listed options (ASX code – NUWOC) are issued to the directors (or their nominees). The listed options issue was to provide an incentive to enable the Company to retain directors of high calibre. Refer to Note 23 Related Party Transactions for further details.

22. SHARE-BASED PAYMENTS

Share options are granted to employees and directors of the Company, or any Associated Body Corporate of the Company. A summary of the terms of the Scheme is contained in the Director's Report.

The following share-based payment arrangements existed at 30 June 2012.

During the year ended 30 June 2012, 2.5 million share options have lapsed due to an employee ceasing his employment with the Company.

The number and weighted average exercise prices of share options is as follows:

	2012		2011	
	Number of Options	**Weighted Average Exercise Price $**	**Number of Options**	**Weighted Average Exercise Price $**
Outstanding at the beginning of	12,500,000	$0.025	47,500,000	$0.025
Forfeited during the period	(2,500,000)		(35,000,000)	
Expired during the period	-		-	
Exercised during the period	-		-	
Outstanding at year-end	10,000,000		12,500,000	
Exercisable at year-end	10,000,000		12,500,000	

There were no options exercised during the year ended 30 June 2012 (2011: nil). These options had a weighted average exercise price of $0.025 at exercise date.

23. RELATED PARTY TRANSACTIONS

(a) Key Management Personnel

Key management personnel compensation and transactions have been included in the Remuneration Report section of the Directors' Report and Note 5 Key Management Personnel.

(b) Directors' Interest

As at the date of this report the interests of the Directors, held either directly or through the entities they control, in the securities of NuWorld Solutions Limited are as follows.

Director	Number of Ordinary Shares (NUW)	Number of Listed Options (NUWOA)	Number of Listed Options (NUWOC)
Kevin Moriarty	606,000,000	-	-
Mathew Whyte	-	-	25,000,000
Michal Safrata	-	8,000,000	25,000,000

A total of 75,000,000 listed options (ASX code: NUWOC) were issued to the directors (or their nominees) following approval by shareholders at the Company's Annual General Meeting in November 2011. The purpose of the grant of the listed options is for the Company to provide an incentive to enable the Company to retain directors of high calibre. Each listed options was granted for $0.00001 and entitled the directors to subscribe for one fully paid ordinary share at an exercise price of $0.005, exercisable on or before 29 March 2013.

The total value of listed options issued to the directors was $39,000 and the funds received from the directors for the issue of, listed options was $750. The difference between these two amounts of $38,250 has been recognised as directors options expense in the period.

24. CAPITALISED EXPLORATION EXPENDITURE

	Consolidated Group	
	2012 $	2011 $
Opening Balance	372,984	-
Exploration and evaluation phases	-	948,439
Impairment	-	(575,455)
Additions	20,203	-
Reimbursement for past expenditure	(72,151)	-
Exploration expenditure written off	(321,036)	-
Total exploration expenditure capitalised	-	372,984

25. FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise receivables, payables, available for sale investments, cash and short-tern deposits.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk and liquidity risk. The Company uses different methods to measure and manage different types of risks to which it is exposed. These included monitoring levels of exposure to interest rate and market forecasts for interest rate. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks are summarised below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, trade and other receivables and available-for-sale-financial assets. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount net of any provisions for these assets as disclosed in the statement of financial position and notes to the financial statements.

The Group has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit evaluations including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the Board. These risk limits are regulatory monitored. The Group does not require collateral in respect of financial assets.

In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. At the reporting date there were no significant concentrations of credit risk. Refer to Note 9 for further information on impairment of financial assets that are past due.

(b) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management. The Group manages the liquidity risk by maintaining adequate cash reserves, and by continuously monitoring forecast and actual cash flows while matching the maturity profiles of financial assets and liabilities.

The table below lists the financial liability and financial asset maturity analysis.

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	$	$	$	$	$	$	$	$
Consolidated Group								
Financial liabilities due for payment								
Trade & other payables	17,643	381,846	-	-	-	-	17,643	381,846
Total expected outflows	17,643	381,846	-	-	-	-	17,643	381,846
Financial assets — cash flows realisable								
Cash and cash equivalents	363,544	1,059,942	-	-	-	-	363,544	1,059,942
Trade and other receivables	16,251	33,989	-	-	-	-	16,251	33,389
Financial assets at fair value through profit and loss	40,000	-	-	-	-	-	40,000	-
Total anticipated inflows	419,795	1,093,931	-	-	-	-	419,795	1,093,931
Net (outflow)/inflow on financial instruments	402,152	712,085	-	-	-	-	402,152	712,085

(c) Interest rate risk

The Group's current exposure to the risk of changes in market interest rates relate primarily to cash assets rates. The Group does not account for fixed rate financial assets and liabilities at fair value through profit or loss.

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit / (loss) and equity values reported at reporting date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. The Group's main interest rate risk arises from cash and cash equivalents with variable interest rates.

	Consolidated Group	
	2012 $	2011 $
Financial assets		
Cash and cash equivalents	363,544	1,059,942
Financial liabilities		
Interest bearing liabilities	-	-
	363,544	1,059,942
Impact on post tax profit / (loss) and equity		
+ 2% in interest rate	7,271	21,199
- 2% in interest rate	(7,271)	(21,199)

(d) Foreign currency risk

The Group is not exposed to significant financial risks from movements in foreign exchange rates.

There are no financial assets and no liabilities denominated in foreign currencies. The Group does not participate in any type of hedging transactions or derivatives. Therefore, no sensitivity analysis is required.

(e) Price risk

The Group's exposure to commodity and equity securities price risk is minimal. Equity securities price risk arises from investments in equity securities. In order to limit this risk the Group diversifies its portfolio in accordance with limits set by the Board. The majority of the equity investments are of a high quality and are publicly traded on the ASX.

The price risk for both listed an unlisted securities is immaterial in terms of a possible impact on profit and loss or total equity and as such a sensitivity analysis has not been completed.

(f) Net fair value

For the financial assets and liabilities disclosed in this note, the fair net value approximates their carrying value.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

		2012		2011	
	Footnote	**Net Carrying Value $**	**Net Fair Value $**	**Net Carrying Value $**	**Net Fair Value $**
Consolidated Group					
Financial assets					
Cash and cash equivalents	(i)	363,544	363,544	1,059,942	1,059,942
Trade and other receivables	(i)	16,251	16,251	30,380	30,380
Financial assets at fair value		40,000	40,000	-	-
Total financial assets	(ii)	419,795	419,795	1,090,322	1,090,322
Financial liabilities					
Trade and other payables	(i)	17,643	17,643	381,846	381,846
Total financial liabilities		17,643	17,643	381,846	381,846

The fair values disclosed in the above table have been determined based on the following methodologies:

(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave, which is not considered a financial instrument.

(ii) For financial assets at fair value through profit and loss, closing quoted bid prices at the end of the reporting period used. These listed investments are included within level 1 of the hierarchy of financial assets. The directors have determined that the fair values of the financial assets carried at cost and at recoverable amount cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. Consequently, such assets are recognised at cost and their fair values have also been stated at cost in the above table.

26. PARENT COMPANY INFORMATION

	Parent Entity	
	2012 $	2011 $
Assets		
Current assets	354,873	902,391
Non-current assets	40,215	38,377
Total assets	395,088	940,768
Liabilities		
Current liabilities	17,643	35,385
Non-current liabilities	-	-
Total liabilities	17,643	35,385
Equity		
Issued capital	40,850,287	40,469,883
Accumulated losses	(40,563,646)	(39,665,291)
Reserves		
Share-based payments	92,266	100,792
Total reserves	92,266	100,792
Financial performance		
Loss for the year	(906,881)	(1,160,782)
Other comprehensive income / (loss)	-	-
Total comprehensive (loss)	(906,881)	(1,160,782)

Contingent liabilities

There is no contingent liabilities for the parent entity during the financial year.

Contractual commitments

There is no contractual commitments for the parent entity during the financial year.

27. SUBSEQUENT EVENTS

- In July 2012 the Company announced that Mr Michael Robson has resigned as Director and Dr Kevin Moriarty was appointed as an Executive Chairman; and
- the Company is in the process of acquiring Fleurieu Mines NL, which owns a portfolio of highly prospective gold and copper projects in the Gawler Craton of South Australia and proposed to be renamed Kingston Resources Limited.

28. CHANGES IN ACCOUNTING POLICY

New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The Company has decided against early adoption of these standards. A list of those standards and interpretations that have been released and are applicable to the Company follows:

The Group does not anticipate early adoption of any of the above reporting requirements and does not expect these requirements to have any material effect on the Group's financial statements.

New/revised pronouncement	Superseded pronouncement	Explanation of amendments	Effective date (i.e. annual reporting periods ending on or after)	Impact on Financial Statements
AASB 9 Financial Instruments	AASB 139 Financial Instruments: Recognition and Measurement (part)	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are: (a) Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows. (b) Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. (c) Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. (d) Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: • The change attributable to changes in credit risk are presented in other comprehensive income (OCI); and • The remaining change is presented in profit or loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9: • Classification and measurement of financial liabilities; and • Derecognition requirements for financial assets and liabilities.	31 December 2015 Note that the IASB deferred the mandatory effective date from annual periods beginning on or after 1 January 2013 to annual periods beginning on or after 1 January 2015.	AASB 9 amends the classification and measurement of financial assets. The effect on the entity will be that more assets may be held at fair value and the need for impairment testing has been limited to financial assets held at amortised cost only. Minimal changes have been made in relation to the classification and measurement of financial liabilities, except that the effects of 'own credit risk' are recognised in other comprehensive income.

		Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7 and AASB 2010-10.		
AASB 10 Consolidated Financial Statements	AASB 127 AASB Int 112	AASB 10 establishes a revised control model that applies to all entities. It replaces the consolidation requirements in AASB 127 *Consolidated and Separate Financial Statements* and AASB Interpretation 112 *Consolidation – Special Purpose Entities*. The revised control model broadens the situations when an entity is considered to be controlled by another entity and includes additional guidance for applying the model to specific situations, including when acting as an agent may give control, the impact of potential voting rights and when holding less than a majority voting rights may give 'de facto' control. This is likely to lead to more entities being consolidated into the group.	31 December 2013	It introduces a revised definition of control which will apply to all investees to determine the scope of consolidation. Traditional control assessments based on majority ownership of voting rights will rarely be affected. However, 'borderline' consolidation decisions will need to be reviewed and some will need to be changed taking into consideration potential voting rights and substantive rights.
AASB 11 Joint Arrangements	AASB 131 AASB Int 113	AASB 11 replaces AASB 131 Interests in Joint Ventures and AASB Interpretation 113 Jointly- controlled Entities – Non-monetary Contributions by Ventures. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. In addition, AASB 11 removes the option to account for jointly-controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint operations that give the venturers a right to the underlying assets and obligations themselves are accounted for by recognising the share of those assets and liabilities. Joint ventures that give the venturers a right to the net assets are accounted for using the equity method. This may result in a change in the accounting for the joint arrangements held by the group.	31 December 2013	Entities with existing joint arrangements or that plan to enter into new joint arrangements will be affected by the new standard. These entities will need to assess their arrangements to determine whether they have interests in a joint operation or a joint venture upon adoption of the new standard or upon entering into the arrangement. Entities that have been accounting for their interest in a joint venture using proportionate consolidation will no longer be allowed to use this method; instead they will account for the joint venture using the equity method. In addition, there may be some entities that previously equity-accounted for investments that may need to account for their share of assets and liabilities now that there is less focus on the structure of the arrangement.

AASB 12 Disclosure of Interests in Other Entities	AASB 127 AASB 128 AASB 131	AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures introduced by AASB 12 include disclosures about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.	31 December 2013	AASB 12 combines the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities within a comprehensive disclosure standard. It aims to provide more transparency on 'borderline' consolidation decisions and enhance disclosures about unconsolidated structured entities in which an investor or sponsor has involvement.
AASB 13 Fair Value Measurement	None	AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted by other Standards. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.	31 December 2013	AASB 13 has been issued to: ▪ establish a single source of guidance for all fair value measurements; ▪ clarify the definition of fair value and related guidance; and ▪ enhance disclosures about fair value measurements (new disclosures increase transparency about fair value measurements, including the valuation techniques and inputs used to measure fair value).
AASB 127 Separate Financial Statements	AASB 127 (Consolidated and Separate Financial Statements)	As a result of the issuance of AASB 10, AASB 127 has been restructured and reissued to only deal with separate financial statements.	31 December 2013	AASB 127 (August 2011) will now solely address separate financial statements, the requirements for which are substantially unchanged from the previous version of the Standard.
AASB 128 Investments in Associates and Joint Ventures	AASB 128 (Investments in Associates)	Once an entity (using AASB 11) has determined that it has an interest in a joint venture, it accounts for it using the equity method in accordance with AASB 128 (Revised). The mechanics of equity accounting set out in the revised version of AASB 128 remain the same as in the previous version.	31 December 2013	The mechanics of equity accounting set out in the revised version of AASB 128 remain the same as in the previous version.

AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	AASB Int 121	These amendments address the determination of deferred tax on investment property measured at fair value and introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that the carrying amount will be recoverable through sale. The amendments also incorporate AASB Interpretation 121 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* into AASB 112. .	31 December 2012	The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140 *Investment Property*. Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]	None	The Standard deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies.	30 June 2014	The Standard makes amendments to remove the individual key management personnel disclosure requirements, as these are considered to be more in the nature of corporate governance and are generally covered in the Corporations Act and disclosed within the Directors and/or Remuneration Report.
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards	None	This Standard makes consequential amendments to various Australian Accounting Standards arising from the issuance of AASB 10, AASB 11, AASB 12, AASB 127 (August 2011) and AASB 128 (August 2011).	31 December 2013	This Standard gives effect to many consequential changes arising from the issuance of the new Standards. For example, references to AASB 127 *Consolidated and Separate Financial Statements* are amended to AASB 10 *Consolidated Financial Statements* or AASB 127 *Separate Financial Statements*, and references to AASB 131 *Interests in Joint Ventures* are deleted as that Standard has been superseded by AASB 11 and AASB 128 (August 2011).

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income [AASB 101]	None	Amendments to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss in subsequent periods (reclassification adjustments, e.g. foreign currency translation reserves) and those that cannot subsequently be reclassified (e.g. fixed asset revaluation surpluses). Name changes of statements in AASB 101 as follows: • One statement of comprehensive income – to be referred to as 'statement of profit or loss and other comprehensive income' • Two statements – to be referred to as 'statement of profit or loss' and 'statement of comprehensive income'.	30 June 2013	The main change will be the separation and classification of components within other comprehensive income between reclassification adjustments to profit or loss and those that will not be reclassified.
AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities	None	This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.	31 December 2013	AASB 2012-2 principally amends AASB 7 to require disclosure of information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.
AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities	None	This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	31 December 2014	AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.
AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009–2011 Cycle	None	These amendments are a consequence of the annual improvements process, which provides a vehicle for making non-urgent but necessary amendments to Standards. These amendments follow the issuance of Annual Improvements to IFRSs 2009–2011 Cycle issued by the International Accounting Standards Board in May 2012.	31 December 2013	AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The Standard addresses a range of improvements, including the following: • repeat application of AASB 1 is permitted (AASB 1); and • clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 Presentation of Financial Statements).

Directors' Declaration

The Directors of the Company declare that:

1. In the opinion of the Directors of the Company:

   (a) the financial statements and notes set out on page 14 to 52, and the Remuneration disclosures that are contained in page 8 to 10 of the Remuneration Report in the Directors' Report, are in accordance with the Corporations Act 2001, including:

      (i) giving true and fair view of the Group's financial position as at 30 June 2012 and of its performance, for the financial year ended on that date;

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

      (iii) complying with International Financial Reporting Standards as disclosed in Note 1.

   (b) the remuneration disclosures that are contained in page 8 to 10 of the Remuneration Report in the Directors' Report comply with Australian Accounting Standard AASB 124 Related Party Disclosures.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.

Kevin Moriarty

KEVIN MORIARTY
Executive Chairman
Perth, Western Australia
25 September 2012

Grant Thornton

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Independent Auditor's Report
To the Members of Nuworld Solutions Limited

Report on the financial report

We have audited the accompanying financial report of Nuworld Solutions Limited (the 'Company'), which comprises the consolidated statement of financial position as at 30 June 2012, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, 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 us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company'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 Company'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.

Auditor's opinion
In our opinion:

a the financial report of Nuworld Solutions 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 2012 and of its performance for the year ended on that date; and

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

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Material uncertainty regarding continuation as a going concern
Without qualifying our opinion, we draw attention to the consolidated statement of comprehensive income and the consolidated statement of cash flows in the financial report which indicates that the consolidated entity incurred a net loss of $1,098,254 and negative operating cash flows of $666,555 during the year ended 30 June 2012. These conditions, along with other matters as set forth in Note 1(o), indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Report on the remuneration report
We have audited the remuneration report included in pages 8 to 10 of the directors' report for the year ended 30 June 2012. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of

the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Nuworld Solutions Limited for the year ended 30 June 2012, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

C A Becker
Partner - Audit & Assurance

Perth, 25 September 2012

The following additional information is provided in compliance with the requirements of ASX Limited.

1. SHAREHOLDER INFORMATION

1.1 Distribution of Ordinary Shares and Listed Options at 11 September 2012

Distribution	No. of Shareholders	No. of Listed Option Holders (ASX code - NUWOA)	No. of Listed Option Holders (ASX code - NUWOC)
1-1,000	440	10	1
1,001-5,000	637	50	0
5,001-10,000	396	43	0
10,001-100,000	1,397	205	0
100,001 – and over	1,751	347	346
Total	**4,621**	**655**	**347**

1.2 Holders Holding Less Than a Marketable Parcel of the Quoted Equity Securities at 11 September 2012

As at 11 September 2012, 3,558 shareholders held less than a marketable parcel of the Company's fully paid ordinary shares.

As at 11 September 2012, 423 option holders held less than a marketable parcel of the Company's listed options (ASX code - NUWOA) and 3 option holders held less than a marketable parcel of the Company's listed options (ASX code - NUWOC).

1.3 The Names of the 20 Largest Holders of the Quoted Equity Securities at 11 September 2012

Contributed Equity (ASX code – NUW)

	Name	Holding	%
1.	Mr Kevin Charles Moriarty	606,000,000	13.04
2.	Intercorp Pty Ltd	346,743,773	7.46
3.	Notezy Pty Ltd	175,000,000	3.77
4.	Dolphin Technology Pty Ltd	168,502,500	3.63
5.	Oroya Mining Limited	166,666,667	3.59
6.	Mr Robert Roget & Mrs Marina Roget	83,333,333	1.79
7.	HSBC Custody Nominees (Australia) Limited	40,300,533	0.87
8.	Mr Mario Correia & Mrs Maria Dorothy Correia <M & D Correia Family A/c>	40,000,000	0.86
9.	Mr Meng Kang Lim	39,997,500	0.86
10.	Cave Glen Pty Ltd <Sandra Wise Super Fund A/c>	37,500,000	0.81
11.	Mr Deuk Sung Bae & Mrs In Soon Bae <Bae Family A/c>	37,058,226	0.80
12.	Lotus Engineering Pty Ltd	34,672,499	0.75
13.	ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/c>	33,001,435	0.71
14.	National Nominees Limited	30,800,000	0.66
15.	Mandevilla Pty Ltd	30,000,000	0.65
16.	JP Morgan Nominees Australia Limited <Cash Income A/c>	29,335,356	0.63
17.	Canterbury Trustees (2006) Limited <Heazlewood Family A/c>	25,000,000	0.54
18.	SA Capital Funds Management Limited <SACFM No 1 Fund A/c>	25,000,000	0.54
19.	Mr Adam Geoffrey Wellisch <The Welson Family A/c>	25,000,000	0.54
20.	Mr Jason Lawrence De Silveira <The Silveira A/c>	22,000,000	0.47

	Total	1,995,911,822	42.95

1.4 The Names of the 20 Largest Listed Options Holders at 11 September 2012

Listed Options (ASX code – NUWOA)

	Name	Holding	%
1.	Intercorp Pty Ltd	230,997,267	20.44
2.	Mammoth Resources Ltd	48,665,656	4.31
3.	Ms Sihol Marito Gultom	45,000,000	3.98
4.	Mr Barry William Green & Mrs Adriana Antonia Jacoba Maria Green <B Green Superannuation A/c>	40,000,000	3.54
5.	Alimold Pty Ltd	30,000,000	2.65
6.	Laridlea Pty Ltd <Laridlea Pty Ltd A/c>	21,862,170	1.93
7.	Melcove Pty Ltd <Chris Fyson Super Fund A/c>	24,763,332	2.19
8.	Mr Robert Trevarrow & Mrs Helen Trevarrow	21,283,334	1.88
9.	Istana Securities Limited	20,000,000	1.77
10.	Mr Alexander Campbell Mcpherson & Mrs Dorothy Roslyn Mcpherson	20,000,000	1.77
11.	Mr Bradley John Pettersson	13,000,000	1.15
12.	Goldwave Pty Ltd	12,083,334	1.07
13.	Samaro Pty Ltd	11,952,000	1.06
14.	Mr Edward Richard Henry	11,666,666	1.03
15.	Mr Simon Melville <S & R Melville S/Fund A/c>	10,666,667	0.94
16.	Ms Tanya Rererakis	10,320,000	0.91
17.	Academic Growth Institute Fund Pty Ltd	10,000,000	0.88
18.	Mr Brian Peter Byass	10,000,000	0.88
19.	Mr Bruce Allan Sarson	10,000,000	0.88
20.	Mr Peter Firmstone	10,000,000	0.88
	Total	**612,260,426**	**54.14**

1.5 The Names of the 20 Largest Listed Options Holders at 11 September 2012

Listed Options (ASX code – NUWOC)

	Name	Holding	%
1.	Skymist Enterprises Pty Ltd	208,930,000	8.37
2.	Corridor Nominees Pty Ltd	200,000,000	8.01
3.	Ms Sihol Marito Gultom	119,250,000	4.78
4.	Intercorp Pty Ltd	100,000,000	4.01
5.	Ms Nicole Gallin & Mr Kyle Haynes <GH Super Fund A/c>	72,725,000	2.91
6.	Mr Robert Roget & Mrs Marina Roget	51,000,000	2.04
7.	Distinct Racing & Breeding Pty Ltd	50,000,000	2.00
8.	Satus Texo Pty Ltd <Robson Family A/c>	50,000,000	2.00
9.	Austchin Pty Ltd	48,000,000	1.92
10.	Mr Matthew Burford	33,662,992	1.35
11.	Mr Alistair James McKenzie	30,000,000	1.20
12.	Melcove Pty Ltd	29,325,000	1.17
13.	Mr David Chadd	26,000,000	1.04
14.	Tyler Enterprises Pty Ltd <Tyler Super Fund A/c>	25,500,000	1.02
15.	Pulpart Pty Ltd	25,000,000	1.00
16.	South West Investment Holdings Pty Ltd <South West Family A/c>	25,000,000	1.00
17.	Mr Mathew Whyte & Mrs Sarah Whyte <M & S Whyte Family A/c>	25,000,000	1.00
18.	Andrew Bruce McKenzie & Diana McKenzie	23,400,000	0.94
19.	Jat Services Pty Ltd	23,000,000	0.92
20.	Richsham Nominees Pty Ltd	21,000,000	0.84
	Total	**1,186,792,992**	**47.52**

1.6 Substantial Shareholders at 11 September 2012

The names of the substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

Intercorp Pty Ltd & Associates- 424,577,106 fully paid ordinary shares

Mr Kevin Charles Moriarty – 606,000,000 fully paid ordinary shares

1.7 Number of Holders of Each Class of Securities at 11 September 2012

As at 11 September 2012, the Company had 4,647,022,710 fully paid ordinary shares held by 4,621 individual shareholders, 1,130,394,439 listed options (ASX code – NUWOA) held by 655 individual option holders and 2,421,250,000 listed options (ASX code – NUWOC) held by 347 individual option holders.

1.8 Voting Rights

The company's share capital is of one class with the following voting rights:

Ordinary shares

a) each shareholder entitled to vote, may vote in person or by proxy, attorney or representative;

b) on a show of hands, every person present who is a shareholder or a proxy, attorney or representative of a shareholder has one vote; and

c) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each fully paid share held, or in respect of which he / she is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

Listed options

The company's options have no voting rights.

2. COMPANY SECRETARY

Mathew Whyte BCom CPA

3. REGISTERED OFFICE

The address of NuWorld Solutions Limited's registered office and principal administrative office is Suite 4 72 Canning Highway, Victoria Park WA 6100, Australia. The Company's telephone number is (+61 8) 9355 2565.

4. SHARE REGISTRY

The address of NuWorld Solutions Limited's share registry, Computershare Investor Services Pty Ltd is Level 2, Reserve Bank Building, 45 St. Georges Terrace, Perth WA 6000, Australia. Computershare Investor Services Pty Ltd's telephone number is (+61 8) 9323 2000.

5. STOCK EXCHANGE LISTING

The Company's shares and options are listed on the Australian Securities Exchange Limited. The home exchange is the Australian Securities Exchange (Perth).

The Company's shares are also quoted on the Berlin Bremen Stock Exchange.

6. RESTRICTED SECURITIES

There are no restricted securities.

7. UNQUOTED SECURITIES

The Company has on issue the following unquoted securities as at 11 September 2012.

Description	Code	Expiry Date	Number on Issue	Number of Holders
Consultant Option Incentive Scheme options	NUWAB	10 December 2012	5,000,000	1
Consultant Option Incentive Scheme options	NUWAO	03 July 2013	5,000,000	1

8. A REVIEW OF OPERATIONS AND ACTIVITIES

A review of operations and activities for the reporting period is located in the Directors' Report.

9. ON MARKET BUY BACK

The Company does not currently have an on market buy back in operation.

CORPORATE GOVERNANCE STATEMENT

Introduction

NuWorld Solutions Limited (NuWorld) values good corporate governance as a foundation for best serving the interests of its shareholders and for consideration of other people affected by the Company's activities. The Directors will adhere to ASX guidelines on corporate governance as appropriate to a Company of NuWorld's size and level of development.

The Board of Directors

The Company's constitution provides that the number of directors shall not be less than three and not more than ten. There is no requirement for any share holding qualification.

As and if the Company's activities increase in size, nature and scope the size of the board will be reviewed periodically, and as circumstances demand.

The membership of the board, its activities and composition, is subject to periodic review. The criteria for determining the identification and appointment of a suitable candidate for the board shall include quality of the individual, background of experience and achievement, compatibility with other board members, credibility within the Company's scope of activities, intellectual ability to contribute to board's duties and physical ability to undertake board's duties and responsibilities.

Directors are initially appointed by the full board subject to election by shareholders at the next general meeting. Under the Company's constitution the tenure of a director (other than managing director, and only one managing director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporation Act 2001, the board does not subscribe to the principle of retirement age and there is no maximum period of service as a director. A managing director may be appointed for any period and on any terms the directors think fit and, subject to the terms of any agreement entered into, may revoke the appointment.

The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify the formation of separate or special committees at this time. The board as a whole is able to address the governance aspects of the full scope of the Company's activities and to ensure that it adheres to appropriate ethical standards.

Role of the Board

The Board's primary role is the protection and enhancement of long-term shareholder value.

To fulfil this role, the board is responsible for oversight of management and the overall corporate governance statement of the Company including its strategic direction, establishing goals for management and monitoring the achievement of these goals.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

Independent Professional Advice

The Board has determined that individual directors have the right in connection with their duties and responsibilities as directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to director's rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient to enable the directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions.

ASX Principles of Good Corporate Governance

The Company has adopted a Corporate Governance Policy which is available on the Company's website for review www.nuworldsolutions.com.au

The Board has reviewed its current practices in light of the ASX Principles of Good Corporate Governance and Best Practice Guidelines with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the Company's present position with regard to adoption of these Principles.

	ASX Principle	Reference/comment
	Principle 1: Lay solid foundations for management and oversight	
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	The functions of the Board are set out in the Company's Corporate Governance Policy. Due to its size the roles and functions within the Company must remain flexible in order for it to best function within its level of available resources.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	As contained in the Company's Corporate Governance Statement the Chairperson is responsible for reviewing the performance of the Board, each director and each executive at least once every calendar year.
1.3	Companies should provide the information indicated in the Guide to Reporting on Principle 1.	See above.
	Principle 2: Structure the board to add value	
2.1	A majority of board should be independent directors.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.
2.2	The chair should be an independent director.	The Chair Dr Kevin Moriarty is not considered to be an independent Director by virtue that his role may require him to perform certain executive function on behalf of the Company from time to time..
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	The Company does not have a Chief Executive Officer. This role is performed by the Executive Director. The Board believes that the composition of the Board and management is both appropriate and acceptable at this stage of the Company's development and includes an appropriate mix of skills and expertise, relevant to the Company's current business. The Board will seek to recruit additional executive resources commensurate with its increased level of activity.

2.4	The board should establish a nomination committee.	The Company has not established a separate Nomination Committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new directors. In view of the size and resources available to the Company, it is not considered that a separate nomination committee is warranted.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Acting in its ordinary capacity, the board from time to time carries out the process of considering and determining performance issues. The Board and individual Directors are evaluated annually by way of informal meetings.
2.6	Companies should provide the information indicated in Guide to Reporting on Principle	The skills and experience of directors are set out in the Company's Annual Report and on its website.

Principle 3: Promote ethical and responsible decision-making

3.1	Companies should establish a code of conduct and disclose the code or summary of the code as to: • the practices necessary to maintain confidence in the Company's integrity • the practices necessary to take into account their legal obligations and the responsible expectations of their stakeholders • the responsibility and accountability of individuals reporting or investigating reports of unethical practices.	The Company has established a Code of Conduct in its Corporate Governance Policy which can be viewed on the Company's website.
3.2	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 measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	The Company has established a Diversity Policy in its Corporate Governance Policy which can be viewed on the Company's website.
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 towards achieving them.	Due to the Company's size, nature and extent of operations, the company has departed from this principle.
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.	The Company has one women employee in the organisation, but no women in senior executive positions or women on the board.
3.5	Companies should provide the information indicated in Guide to Reporting on Principle	The Code of Conduct and Diversity policy can be viewed on the Company's website.

Principle 4: Safeguard integrity in financial reporting

4.1	The board should establish an audit committee.	No formal audit committee has been established by the Company as yet. The Company is at variance with Recommendation 4.1 and 4.2 and 4.3 in that it does not presently have an audit committee. The Board as a whole currently serves as the audit committee. The Board is of the view that the experience and professionalism of the persons on the Board is sufficient to ensure that all significant matters are appropriately addressed and actioned. Further, the Board does not consider that the Company is of sufficient size to justify the appointment of additional directors for the sole purpose of satisfying this recommendation.
4.2	The audit committee should be structured so that it: • consists only non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not the chair of the board • At least three members	See 4.1
4.3	The audit committee should have a formal charter.	See 4.1
4.4	Companies should provide the information indicated in Guide to Reporting on Principle 4.	See above

Principle 5: Make timely and balanced disclosure

5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies.	The Company has established a Disclosure Policy in its Corporate Governance Policy which can be viewed on the Company's website.
5.2	Companies should provide the information indicated in Guide to Reporting on Principle 5.	See above.

Principle 6: Respect the rights of shareholders

6.1	Companies should design and disclose a communications policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	The Company has established a Communications Policy in its Corporate Governance Policy which can be viewed on the Company's website.
6.2	Companies should provide the information indicated in Guide to Reporting on Principle 6.	See above

Principle 7: Recognise and manage risk

7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Due to the size and nature of the Company, the Company does not have formalised policies on risk management. The Board recognises its responsibility for identifying areas of material business risk and for ensuring that arrangements are in place to adequately identify, analyse, assess, prioritise, monitor and manage these risks. This issue is regularly reviewed at board meetings and risk management culture is encouraged amongst employees and contractors.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	See above
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a 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.	The Executive Chairman and the Company Secretary make this assurance to the board.
7.4	Provide information indicated in Guide to Reporting on Principle 7.	See above.

Principle 8: Remunerate fairly and responsibly

8.1	The board should establish a remuneration committee.	Due to the size and nature of the Company, the Company does not have a remuneration committee.
8.2	The remuneration committee should be structured so that it: • consists of a majority of independent directors • is chaired by an independent chair has at least three members.	See 8.1
8.3	Companies should clearly distinguish the structure of non-executive directors remuneration from that of executives.	See 8.1
8.4	Companies should provide information indicated in ASX Guide to Reporting on Principle 8.	See above.