
Top End Uranium Ltd

ABN 48 124 943 728

ANNUAL REPORT 2012

Top End Uranium Ltd Chairman's Report

Dear Shareholder,

The Company has exploration and development rights over tenements in Arnhem Land covering some 2,276 square km in the Northern Territory, Australia. These tenements are collectively known as the Arnhem Land project area and comprise 55 tenements, 7 of which are granted. The rights to these tenements include all minerals other than diamond. However, as a result of the constant delays in gaining access to these uranium tenement interests over several years, the Directors have decided to expand the Company's mineral focus to also include precious gems in order to generate value for shareholders. The Company is assessing several gem opportunities. Commensurate with the expansion of mineral and gem focus, the Company will seek shareholder approval at the annual general meeting in November 2012 to change its name to "Top End Minerals Limited".

The primary focus of TEU's exploration in the last 12 months has been unconformity-type uranium mineralisation similar to that which occurs in the East Alligator River Region of the Northern Territory (e.g. Ranger, Jabiluka, Koongara and Nabarlek). World-class deposits of this type are also found in similar age geological settings in the Athabasca Basin in Canada at depths of up to 600 metres beneath the overlying sandstones.

As part of its exploration methodology, TEU evaluates anomalous exploration results for all commodities. This strategy has led to the discovery of two areas of anomalous lead-zinc geochemistry and one of anomalous uranium-gold geochemistry in the Arnhem Land project area.

Arnhem Land Project Area Overview

The Arnhem Land project area lies to the east and south east of the East Alligator River uranium deposits and can be separated into a western and eastern limb. Within the western limb, key areas of interest for the Company include Nungbalgarri Creek, Liverpool River and Jimbu. The eastern limb key areas of interest include Mitchell-Flinders and Parsons Range. Previous exploration for uranium in Arnhem Land occurred in the early 1970's using geochemical sampling techniques and in some instances simple airborne geophysical systems. For approximately 20 years little or no uranium exploration took place. In the mid 1990's exploration recommenced in some areas using more modern exploration techniques.

The Arnhem Land project areas that are closest to the East Alligator River uranium deposits (Ranger, Jabiluka, Koongarra, and Nabarlek) have the highest prospectivity for unconformity-type uranium deposits where the mineralisation is associated with the unconformity at the base of the Kombolgie Sandstone.

Western Limb - Areas of Interest within the Arnhem Land Project

The Nungbalgarri Creek area, situated 90 km north east of Ranger Uranium Mine, and the Liverpool River area situated approximately 70 km east south-east of the Nabarlek Uranium Mine are considered priority target areas for unconformity-type uranium mineralisation. Based on conceptual models there is also potential over a much wider area within the western limb for Westmoreland type uranium mineralisation associated with mafic and other volcanic rocks occurring at shallower depths within the sediments which overlie the unconformity at the base of the Kombolgie Sandstone.

The Jimbu area, located further to the south and approximately 100 km south east of the East Alligator River Uranium Field, is similarly considered prospective for unconformity-type uranium mineralisation. The conceptual targets in this instance are higher in the sedimentary sequence where uranium could potentially be associated with intrusive mafic rocks based on the similarities in geological setting for uranium mineralisation observed in the Westmoreland area.

Eastern Limb - Areas of Interest within the Arnhem Land Project

Within the eastern limb area older basement rocks, equivalent in age to the Pine Creek Orogen basement rocks, have been thrust upwards along the Mitchell-Flinders Thrust Belt exposing an unconformity within the overlying sediments which are equivalent in age to the Kombolgie Subgroup

Top End Uranium Ltd Chairman's Report

sediments. This geological setting is considered analogous to that seen in the East Alligator River area, and hence has potential for unconformity-type uranium mineralisation.

On the western side of the Thrust Belt, the regional Northern Territory Geological Survey's airborne radiometric data reveals an isolated, narrow but well defined uranium only anomaly, associated with the faulted contact between the Parsons Range Group sediments and the Roper Group sediments. This distinct Parsons Range anomaly provides evidence that uranium mineralisation may be present in the sediments well above the basal unconformity.

1.1 *Access Meetings*

Access meetings with the Northern Land Council and Traditional Owners were held in Arnhem Land during June to allow field work on a number of exploration licences. Further access meetings are scheduled for October on several additional licences. Following this October meeting a helicopter sampling program will be conducted to collect reconnaissance and follow-up stream geochemical samples.

1.2 *Stream Sediment Sampling - Anomalous Lead-Zinc*

Reconnaissance stream sediment samples collected in 2010 have highlighted two areas with anomalous lead-zinc and anomalous zinc respectively, both of which have been confirmed by follow-up sampling. Further sampling aimed at identifying a source for the anomalous lead-zinc has been concluded during 2012.

In 2010 and 2011 the Company conducted stream sediment sampling within EL26206 which identified elevated zinc and lead results. In early 2012 an initial program of geological mapping and rock chip sampling was undertaken to determine if mineralisation was evident in outcrop within the tenement and to determine potential mineralisation styles. A number of rock chip samples were collected with best results of 1.3% zinc in a sample collected close to an unconformity.

The geological setting and results from rock chip sampling indicate that mineralisation identified in the tenement best fits a Mississippi Valley Type lead-zinc deposit model. The results were considered encouraging and a more detailed mapping and rock chip sampling program was completed in August 2012. Disseminated sulphide mineralisation was identified in outcrop associated with the zinc and lead anomalous rock chip and stream geochemical samples collected previously. Further rock chip samples have been submitted for assay and results are awaited.

The next stage of exploration will be planned following receipt and interpretation of results. A ground geophysical program may be undertaken to produce potential drilling targets.

1.3 *EL25976 Cadell Anomaly*

Elevated gold and uranium assays have prompted a review of local geology previously mapped by the Company. Evidence of faulting and dolerite intrusives in the area are seen as potential indicators of mineralisation.

The similarities between the geological features found near the Cadell anomaly and the features describing Westmoreland styles of mineralisation include:

- Anomalous uranium and gold
- Major and minor faulting
- Basic dykes
- Volcanics
- Suitable aquifers

Top End Uranium Ltd
Chairman's Report

The geochemical results and the geology lend weight to the possibility of gold and uranium mineralisation in the Cadell anomaly area. Further investigations are planned for later in 2012 to advance the Company's understanding of this area.



Joseph Gutnick
Executive Chairman and
Managing Director

The technical information in this report has been reviewed and approved by Dr D S Tyrwhitt who is a Fellow of the Australasian Institute of Mining and Metallurgy and has 50 years experience in the industry and has more than 5 years experience which is relevant to the style of mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Tyrwhitt consents to the inclusion in the report of the matters based on the information in the form and context to which it appears.

Top End Uranium Ltd
Directors' Report

The Directors of Top End Uranium Ltd present their report for the year ended 30 June 2012.

1. Directors

The Directors of the Company in office since 1 July 2011 and up to the date of this Report are:

Current Directors

Mr Joseph Gutnick FAusIMM FAIM MAICD
Executive Chairman, Managing Director and Chief Executive Officer

Mr Gutnick is a leading mining industry entrepreneur. He has been a Director of the Company since 2008. He is currently President and Chief Executive Officer of numerous listed public companies in both Australia and North America including Legend International Holdings, Inc., Golden River Resources Corporation, Northern Capital Resources Corp Aurum, Inc., Electrum International, Inc Great Central Resources Corp, Executive Chairman, Managing Director and Chief Executive Officer of Quantum Resources Limited and North Australian Diamonds Ltd and is Executive Chairman of Paradise Phosphate Limited. Mr Gutnick has been responsible for overseeing the discovery of the Plutonic gold deposit, and the discovery, development and operation of the world class Bronzewing and Jundee gold mines in Australia. He was awarded the Diggers award at the 1997 Diggers and Dealers Industry Awards and is a former Director of the World Gold Council. He was a Director of Astro Diamond Mines N.L. from October 1988 to October 2007, Hawthorn Resources Limited from July 1987 to November 2007, Acadian Mining Corporation from October 2009 to February 2010 and Royal Roads Corporation from November 2009 to February 2010. Age 60

Menachem Vorchheimer
Executive Director – appointed 8 July 2011

Mr Vorchheimer has in excess of 10 years corporate and senior management experience in the capacity of Chief Executive Officer and Chief Operating Officer. Mr Vorchheimer has been responsible for various corporate structuring, repositioning, mergers and acquisitions and greenfield projects both in Australia and the United States. Mr Vorchheimer has a background in accounting and finance, including in his role as an auditor with PKF Chartered Accountants, and is a Director of Acadian Mining Corporation. Mr Vorchheimer holds a Bachelor of Business Management from Monash University. Age 39

Peter Lee
Executive Director – appointed 30 April 2012

Mr Lee has over 30 years commercial experience and is currently Chief Financial Officer and Company Secretary of several listed public companies in Australia and North America. He is a Director, Chief Financial Officer and Secretary of Golden River Resources Corp, a Delaware corporation, Secretary of Aurum, Inc.; Chief Financial Officer and Secretary of Northern Capital Resources Corp and Great Central Resources Corp, Electrum International, Inc., and Chief Financial Officer and Company Secretary of North Australian Diamonds Limited and Quantum Resources Limited, all listed on Australian Securities Exchange and Company Secretary of Paradise Phosphate Limited. Mr Lee is also a Director of Acadian Mining Corporation. Mr Lee is a Member of the Institute of Chartered Accountants in Australia, a Fellow of Chartered Secretaries Australia Ltd., a Member of the Australian Institute of Company Directors and holds a Bachelor of Business (Accounting) from Royal Melbourne Institute of Technology. Age 55

Directors who ceased to hold office

Craig Michael – resigned 30 April 2012

Mr Michael has over 10 years experience as a geology professional in the mining and resources industry. He is currently Managing Director and Chief Executive Officer of Paradise Phosphate Limited and a Non-Executive Director of North Australian Diamonds Ltd and Aurum, Inc. In the last five years, he has previously been a Director of Electrum International, Inc. and Quantum Resources Limited.

Top End Uranium Ltd
Directors' Report

Tom Reddicliffe – appointed 30 March 2011, resigned 8 July 2011

Mr Reddicliffe was exploration manager for Ashton Mining Limited and was directly responsible for the discovery of the Merlin Diamond Mine in the Northern Territory. Mr Reddicliffe has over 30 years of experience in the mining & exploration industry. During the last three years Mr Reddicliffe was a director of North Australian Diamonds Limited.

2. Principal Activities and Review and Results of Activities

The principal activity during the financial year was mineral exploration. There has been no significant change in the nature of these activities during the financial year.

Objectives

The Company's objective is to increase shareholder wealth through successful exploration activities whilst providing a safe workplace and ensuring best practice in relation to its environmental obligations.

The key opportunity for the Company during the year has been the advancement of its exploration projects. The Company has undertaken exploration activities on certain of its granted tenement interests and continued to make progress in negotiations with landholders and interested parties for a grant of a number of tenements under application.

Statement of Comprehensive Income

As an exploration company, Top End Uranium does not have an ongoing source of revenue. Its revenue stream is normally from ad-hoc tenement disposals and interest received on cash in bank. Interest income decreased from \$262,960 in 2011 to \$200,046 in 2012 primarily due to a decrease in allowable cash funds to invest as funds were used for operational activities.

In the current year, operating costs and expenses have increased from \$802,200 in 2011 to \$3,730,218 in 2012. Employee benefits expense amounted to \$30,498 in 2011 compared to \$4,959 in 2012 with the decrease primarily due to the change in Executives and Directors during 2012. Exploration expenditure written off amounted to \$406,786 in 2011 compared to \$3,371,841 in 2012. The 2012 write-off was a result of expenditure incurred on tenements not yet granted and/or surrendered which was written off in accordance with accounting standards. In 2011, costs incurred and written off on these tenements were less than in the current year as less work was conducted on tenements that had not been granted. Corporate and administrative expenses amounted to \$331,187 in 2011 compared to \$312,700 in 2012. Finance expense increased from \$292 in 2011 to \$341 in 2012.

As a result, the Company made a net loss after tax for 2012 of \$3,530,513 (2011: \$539,532) or a loss of \$0.05 per share (2011: \$0.01).

Statement of Financial Position

At 30 June 2012, the Company had cash at bank of \$2,595,234 compared to \$4,101,527 at 30 June 2011. During the year, trade and other receivables of \$36,324 at 30 June 2012 has decreased from \$77,079 at 30 June 2011, primarily due to the timing of interest receivable on deposits. Other receivables at 30 June 2012 was \$592,257 being an interest bearing advance to Axis Consultants Pty Ltd. Plant and equipment has decreased from \$10,131 at 30 June 2011 to \$6,713 at 30 June 2012. Capitalised exploration expenditure decreased from \$4,198,964 at 30 June 2011 to \$1,778,313 at 30 June 2012 which is a net result of exploration expenditure of \$951,190 capitalised into exploration and evaluation expenditure during the year on granted tenements offset by a write-off of costs incurred on tenements not yet granted and/or surrendered of \$3,371,841. At 30 June 2012, the Company had total liabilities of \$371,899 compared to \$220,246 at 30 June 2011, which is primarily the result of the timing of amounts paid and payable to North Australian Diamonds Ltd.

Top End Uranium Ltd
Directors' Report

As a result, the Company had working capital of \$2,259,659 (2011: \$3,958,360) and net assets of \$4,636,942 (2011: \$8,167,455).

Cash Flow

During the year, the Company paid net \$117,152 (2011: \$175,743) for operating activities and \$804,141 (2011: \$830,304) for exploration. At 30 June 2012, the Company had \$2,595,234 in cash.

3. Significant Change in State of Affairs

The Directors are of the opinion that other than that disclosed in the Principal Activities section of the Directors' Report, there have not been any significant changes in the state of affairs of the Company during the year under review.

4. Dividends

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of dividend since the end of the previous financial year and up to the date of this Annual Report.

5. Events After The End Of The Financial Year

There has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature which in the opinion of the Directors of the Company, has significantly affected or may significantly affect:

- the operations of the Company
- the results of those operations, or
- the state of affairs of the Company

in financial years subsequent to this financial year.

6. Future Developments and Results

There are no likely developments of which the Directors are aware which could be expected to significantly affect the results of the Company's operations in subsequent financial years not otherwise disclosed in this Annual Report.

7. Options

At the date of this Report, the Company had on issue the no options over fully paid ordinary shares.

Unlisted

There were no options granted to Directors and Officers of the Company during the year and up to the date of this report.

8. Directors' Interests in Shares and Options

The relevant interest of each Director in the number of fully paid ordinary shares and options over fully paid ordinary shares of the Company disclosed by that Director to the Australian Securities Exchange as at the date of this Report is:

Director	Relevant Interest	
	Ordinary Shares	Options
J I Gutnick	3,937,711	-
PJ Lee	-	-
M M Vorchheimer	-	-

Top End Uranium Ltd
Directors' Report

9. Meetings of Directors

The number of meetings of Directors held including meetings of Committees of the Board during the financial year including their attendance was as follows:

	Board	
	Eligible to Attend	Attended
J I Gutnick	2	2
M M Vorchheimer	2	2
C A Michael	2	2
T H Reddicliffe	-	-
P J Lee	-	-

Effective from November 2008 and March 2009 as a result of changes to the Board, the Remuneration Committee and Audit Committee respectively ceased and all matters that would usually fall to a Remuneration and Audit Committee are to be handled by the full Board, due to the size and composition of the Board.

10. Company Secretary

Mr Peter Lee is the Company Secretary of the Company. Mr Lee is a Member of the Institute of Chartered Accountants in Australia, a Fellow of Chartered Secretaries Australia Ltd., a Member of the Australian Institute of Company Directors and holds a Bachelor of Business (Accounting) from Royal Melbourne Institute of Technology. He has over 30 years commercial experience and is currently Chief Financial Officer and Company Secretary of several listed public companies in Australia and a Director, Chief Financial Officer and Secretary of a US Corporation listed on the over the counter market in the USA, Chief Financial Officer and Secretary of a further three US Corporations listed on the over the counter market in the USA and a Director of a company listed on the Toronto Stock Exchange. Age 55

11. Indemnification of Directors, Officers and Auditors

The Company has entered into an Indemnity Deed with each of the Directors and certain former Directors which will indemnify them against liability incurred to a third party (not being the Company or any related company) where the liability does not arise out of conduct including a breach of good faith. The Indemnity Deed will continue to apply for a period of 10 years after a Director ceases to hold office and a Director's Access and Insurance Deed with each of the Directors pursuant to which a Director can request access to copies of documents provided to the Director whilst serving the Company for a period of 10 years after the Director ceases to hold office. There will be certain restrictions on the Directors' entitlement to access under the deed.

The Company has not, during or since the financial year, indemnified or agreed to indemnify an auditor of the Company or of any related body corporate against a liability incurred as an auditor.

12. Environment

The exploration activities of the Company are conducted in accordance with and controlled principally by Australian state and territory government legislation. The Company has exploration land holdings in Western Australia and the Northern Territory. The Company employs a system for reporting environmental incidents, establishing and communicating accountability, and rating environmental performance. During the year data on environmental performance was reported as part of the monthly exploration reporting regime. In addition, as required under various state and territory legislation, procedures are in place to ensure that the relevant authorities are notified prior to the commencement of ground disturbing exploration activities.

The Company is committed to minimising the impact of its activities on the surrounding environment at the same time aiming to maximise the social, environmental and economic returns for the local community. To this end, the environment is a key consideration in our exploration activities and during the rehabilitation of disturbed areas. Generally rehabilitation occurs immediately following the completion of a particular phase of exploration. In addition, the Company continues to develop and maintain mutually beneficial relationships with the local communities affected by its activities.

Top End Uranium Ltd
Directors' Report

13. Non- Audit Services

During the year, BDO, the Company's auditor, has performed certain other services in addition to their statutory duties.

A copy of the auditor's independence declaration as required under Section 307C of the Corporations Act is attached to the Directors' Report.

Details of the amounts paid to the auditor of the Company, BDO, and its related practices for audit and non-audit services provided during the year are set out below.

	2012	2011
	\$	\$
Statutory audit		
Auditors of the Company		
- audit and review of financial reports - BDO ¹	37,300	30,320
- for taxation services - BDO ¹	6,600	16,962

¹BDO East Coast Partnership formally traded as PKF East Coast Practice.

The auditors performed no other services.

14. Remuneration Report - Audited

(i) Overview of Remuneration Policies

The Company is managed by North Australian Diamonds Limited ("NADL") pursuant to an Administration and Technical Services Agreement dated 18 September 2007 between the parties and AXIS Consultants Pty Ltd ("AXIS Consultants"), pursuant to a Service Deed dated 31 August 2009. In accordance with the arrangements with NADL and AXIS Consultants, they provide company secretarial, finance, geology, exploration, IT and other services to the Company.

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company, including Directors of the Company and other Executives. Key management personnel include the five most highly remunerated S300A Directors and Executives of the Company.

Remuneration levels for Directors of the Company are competitively set to attract and retain appropriately qualified and experienced Directors. The Remuneration Committee obtains independent advice on the appropriateness of remuneration packages given trends in comparative companies and the objectives of the Company's remuneration strategy, when appropriate.

The remuneration structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the Directors;
- the Directors' ability to control the Company's performance;
- the Company's performance including:
- the Company's earnings
- the growth in share price and returns on shareholder wealth

Top End Uranium Ltd
Directors' Report

The Company's performance during the current year and over the past four years has been as follows:

	2012	2011	2010	2009	2008
	\$000s	\$000s	\$000s	\$000s	\$000s
Revenue	200	263	241	339	350
Net loss	(3,531)	(540)	(379)	(2,621)	(512)
Basic loss per share (cents)	(0.05)	(0.01)	(0.01)	(0.04)	(0.01)
Diluted loss per share (cents)	(0.05)	(0.01)	(0.01)	(0.04)	(0.01)
Net assets	4,637	8,167	8,707	9,096	11,388

The Directors do not believe the financial or share price performance of the Company is an accurate measure when considering remuneration structures as the Company is in the mineral exploration industry. Companies in this industry do not have an ongoing source of revenue, as revenue is normally from ad-hoc transactions.

The more appropriate measure is the identification of exploration targets, identification and/or increase of mineral resources and reserves and the ultimate conversion of the Company from explorer status to mining status.

(ii) Details of Directors, Executives and Remuneration

As noted in section (i), the Company does not employ any employees in its own right and management services are provided to the Company by NADL and AXIS. NADL pays the acting Chief Executive Officer and AXIS pays the Executive Chairman and Managing Director's remuneration and certain Executive Directors' and Executives' remuneration on behalf of the Company, based on pre-agreed amounts. AXIS invoices the Company for remuneration paid to the Company's Executives (not being Directors) based on the time the Executive spends in servicing the requirements of the Company. AXIS has provided the following information in regard to the amounts invoiced to the Company for the Directors and Executives in respect of all remuneration (as that term is defined in the Corporations Act 2001) received by the Directors and/or Executives in connection with the management of the affairs of the Company.

The names of the Directors and Executives in office during the year are as follows:-

(a) Directors

- J I Gutnick Executive Chairman and Managing Director – employed by AXIS.
- C A Michael Executive Director (resigned 30 April 2012) - employed by AXIS.
- T H Reddicliffe Executive Director (appointed 30 March 2011, resigned 8 July 2011) – employed by NADL.
- M Vorchheimer Executive Director (appointed 8 July 2011) – employed by AXIS.
- P J Lee Executive Director (appointed 30 April 2012) – employed by AXIS.

(b) Executives

- P J Lee Chief Financial Officer & Company Secretary – employed by AXIS.
- M Kammerman Exploration Manager – employed by AXIS.

Top End Uranium Ltd
Directors' Report

Details of the nature and amount of each major element of remuneration of each Director of the Company and each Executive of the Company are:

		Primary			Post-employment	Equity compensation	Total	s300A (1)(e)(i) Proportion of remuneration performance related %	s300A (1)(e)(vi) Value of options as proportion of remuneration %
		Salary & fees \$	Bonus \$	Non-monetary benefits \$	Super-annuation benefits \$	Value of options \$			
Directors									
J I Gutnick	2012	36,730	-	-	3,305	-	40,035	0	0
	2011	25,000	-	-	2,250	-	27,250	0	0
C A Michael ⁽ⁱ⁾	2012	16,667	-	-	1,500	-	18,167	0	0
	2011	20,000	-	-	1,800	-	21,800	0	0
I Hastings ⁽ⁱⁱ⁾	2012	-	-	-	-	-	-	0	0
	2011	35,000	-	-	-	-	35,000	0	0
T H Reddicliffe ⁽ⁱⁱⁱ⁾	2012	-	-	-	-	-	-	0	0
	2011	8,514	-	-	766	-	9,280	0	0
M Vorchheimer	2012	20,000	-	-	1,800	-	21,800	0	0
	2011	-	-	-	-	-	-	0	0
P J Lee ^(iv)	2012	3,333	-	-	300	-	3,633	0	0
	2011	-	-	-	-	-	-	0	0
Total all Directors	2012	76,730	-	-	6,905	-	83,635		
	2011	88,514	-	-	4,816	-	93,330		
Executives									
P J Lee ^(iv)	2012	16,667	-	-	1,500	-	18,167	0	0
	2011	20,000	-	-	1,800	-	21,800	0	0
M Kammerman	2012	61,922	-	-	5,573	-	67,495	0	0
	2011	-	-	-	-	-	-	0	0
T H Reddicliffe ⁽ⁱⁱⁱ⁾	2012	-	-	-	-	-	-	0	0
	2011	11,869	-	-	1,068	-	12,937	0	0
Total all Executives	2012	78,589	-	-	7,073	-	85,662		
	2011	31,869	-	-	2,868	-	34,737		
Total all Directors & Executives	2012	155,319	-	-	13,978	-	169,297		
	2011	120,383	-	-	7,684	-	128,067		

There were no STI cash bonuses, post-employment prescribed benefits, termination benefits or insurance premiums paid during 2012 or 2011 other than as disclosed.

(i) Resigned 30 April 2012

(ii) Resigned 31 March 2011.

(iii) Appointed as a Director on 31 March 2011. Remuneration split between Directors and Executives remuneration accordingly.

(iv) Appointed as an Executive on the 12 August 2009 and as a Director on 30 April 2012. Remuneration split between Directors and Executives remuneration accordingly.

(iii) Service Agreements with AXIS Consultants Pty Ltd

Messrs Gutnick, Vorchheimer and Lee and former Director Mr Michael do not have a contract for their services as Directors. Their remuneration and fees are paid to them by AXIS Consultants Pty Ltd, based on amounts agreed by the Company.

Mr Kammerman, Exploration Manager does not have a contract of employment with the Company. His services are provided to the Company through the service arrangements with AXIS Consultants Pty Ltd. This service contract with AXIS Consultants Pty Ltd is for an unlimited term and is capable of termination on two months notice.

Top End Uranium Ltd
Directors' Report

(iv) Remuneration of Mr T H Reddicliffe

Mr Reddicliffe did not have a contract with the Company for his services as Acting Chief Executive Officer.

(v) Non-Executive Directors

Total remuneration for all Non-Executive Directors, last voted upon by shareholders, is not to exceed \$400,000 per annum. Non-Executive Directors' base fees are presently up to \$46,000 per annum per Director. Non-Executive Directors do not receive performance related remuneration. Directors' fees cover all main board activities and membership of board committees. Non-Executive Directors do not receive any benefits on retirement.

(vi) Performance-Linked Remuneration

Performance linked remuneration focuses on long-term incentives and was designed to reward key management personnel for meeting or exceeding their objectives.

Share-based compensation

During the year, 6,000,000 options granted to former Directors and Executives on 26 February 2008, with an exercise price of 20 cents and an expiry date of 26 February 2012, lapsed un-exercised. During the current year and the prior year, no options were granted to Directors or executives and no options vested.

End of Remuneration Report - Audited

Signed in accordance with a resolution of the Board of Directors at Melbourne this ___th day of September 2012.



J I Gutnick
Director

DECLARATION OF INDEPENDENCE BY JAMES MOONEY TO THE DIRECTORS OF TOP END URANIUM LIMITED

As lead auditor of Top End Uranium Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



James Mooney

Partner

BDO East Coast Partnership

Melbourne, 28 September 2012

Top End Uranium Ltd
Statement of Comprehensive Income
for the year ended 30 June 2012

	<i>Note</i>	2012 \$	2011 \$
Revenue	3	200,046	262,960
Employee benefits expense		(4,959)	(30,498)
Audit fees	18	(37,300)	(30,320)
Depreciation expenses		(3,418)	(3,409)
Exploration impaired	9	(3,371,841)	(406,786)
Corporate and administrative expenses		(312,700)	(331,187)
Loss from continuing operations		(3,530,172)	(539,240)
Finance expense	4	(341)	(292)
Loss before income tax		(3,530,513)	(539,532)
Income tax expense	5	-	-
Loss for the year		(3,530,513)	(539,532)
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive loss for the year		(3,530,513)	(539,532)
Loss attributable to members of Top End Uranium Ltd		(3,530,513)	(539,532)
Total comprehensive loss attributable to members of Top End Uranium Ltd		(3,530,513)	(539,532)
Basic loss per share (cents per share)	6	(0.05)	(0.01)
Diluted loss per share (cents per share)	6	(0.05)	(0.01)

The notes on pages 17 to 32 are an integral part of these financial statements.

Top End Uranium Ltd
Statement of Financial Position
as at 30 June 2012

	<i>Note</i>	2012 \$	2011 \$
Assets			
<i>Current Assets</i>			
Cash and cash equivalents	12	2,595,234	4,101,527
Trade and other receivables	7	36,324	77,079
Total current assets		2,631,558	4,178,606
<i>Non-current Assets</i>			
Other receivables	7	592,257	-
Plant and equipment	8	6,713	10,131
Exploration and evaluation expenditure	9	1,778,313	4,198,964
Total non-current assets		2,377,283	4,209,095
Total assets		5,008,841	8,387,701
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables	10	371,899	220,246
Total current liabilities		371,899	220,246
Total liabilities		371,899	220,246
Net assets		4,636,942	8,167,455
Equity			
Contributed equity	11	12,054,376	12,054,376
Reserves	11	-	497,592
Accumulated losses		(7,417,434)	(4,384,513)
Total equity		4,636,942	8,167,455

The notes on pages 17 to 32 are an integral part of these financial statements

Top End Uranium Ltd
Statement of Changes In Equity
for the year ended 30 June 2012

	Issued capital \$	Share based payments reserve \$	Options reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2010	11,602,220	497,592	452,156	(3,844,981)	8,706,987
Loss for the year	-	-	-	(539,532)	(539,532)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-
Total comprehensive loss for the year, net of tax	-	-	-	(539,532)	(539,532)
Transactions with owners in their capacity as owners:					
Issue of shares, net of transaction costs	452,156	-	(452,156)	-	-
Balance at 30 June 2011	12,054,376	497,592	-	(4,384,513)	8,167,455
Balance at 1 July 2011	12,054,376	497,592	-	(4,384,513)	8,167,455
Loss for the year	-	-	-	(3,530,513)	(3,530,513)
Other comprehensive loss for the year, net of income tax	-	-	-	-	-
Total comprehensive loss for the year, net of tax	-	-	-	(3,530,513)	(3,530,513)
Transactions with owners in their capacity as owners:					
Expiry of options	-	(497,592)	-	497,592	-
Balance at 30 June 2012	12,054,376	-	-	(7,417,434)	4,636,942

The notes on pages 17 to 32 are an integral part of these financial statements

Top End Uranium Ltd
Statement of Cash Flows
for the year ended 30 June 2012

	<i>Note</i>	2012 \$	2011 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(355,109)	(403,952)
Interest received		237,957	228,209
Net cash used in operating activities	12	(117,152)	(175,743)
Cash flows from investing activities			
Payments for exploration expenditure		(804,141)	(830,304)
Net cash used in investing activities		(804,141)	(830,304)
Cash flows from financing activities			
Loan advanced to other entity		(585,000)	-
Net cash used in financing activities		(585,000)	-
Net decrease in cash and cash equivalents		(1,506,293)	(1,006,047)
Cash and cash equivalents at 1 July		4,101,527	5,107,574
Cash and cash equivalents at 30 June	12	2,595,234	4,101,527

The notes on pages 17 to 32 are an integral part of these financial statements

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

1. Summary of significant accounting policies

Top End Uranium Ltd (the 'Company') is a company domiciled in Australia. The financial statements of the Company as at and for the year ended 30 June 2012 comprise the Company only and has not been consolidated with any other entity.

The financial statements were authorised for issue by the Board of Directors on 28 September 2012.

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 as appropriate for profit orientated entities. The financial report of the Company complies with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board. The principal standards and interpretations that have been adopted for the first time in these financial statements are:

- *AASB 124 Related Party Transactions (Amendment)*
The AASB has issued an amendment to AASB 124 that clarifies the definitions of a related party. The new definitions emphasise a symmetrical view of related party relationships as well as clarifying in which circumstances persons and key management personnel affect related party relationships of an entity.
- *AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process*

AASB 7 Financial Instruments: Disclosures. The amendment was intended to simplify the disclosures provided by reducing the volume of disclosures around collateral held and improving disclosures by requiring qualitative information to put the quantitative information into context.

The adoption of these amendments has not resulted in any changes to the Company's accounting policies and have no effect on the amounts reported for the current or prior periods.

The standards and interpretations may have an impact on the Company in future reporting periods but are not yet effective. None of these is expected to have a significant effect on the Company's financial statements, except for AASB 9 *Financial Instruments*, which becomes mandatory for the Company's 2016 financial statements and could change the classification and measurement of financial assets. The Company does not plan to adopt this standard early and the extent of the impact has not been determined.

Basis of measurement

The financial statements have been prepared on the historical cost basis.

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

Critical accounting estimates

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Exploration and evaluation

Note 1(i) contains information about the assumptions and risk factors relating to exploration, evaluation and development expenditure impairment.

Share based payment transactions

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions.

(b) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

Interest revenue

Interest is brought to account as income over the term of each financial instrument on an effective interest basis.

(c) Income tax

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

Deferred income tax is provided for in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

(d) Goods and services tax (GST)

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

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

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

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

(e) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash generating units.

(f) Cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and investments in money market instruments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

(g) Loans and receivables

Loan and receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Loans and receivables are non-derivative financial assets with fixed or determinable repayments that are not quoted in an active market.

They are included in current assets, except for those with expected repayments greater than twelve (12) months after reporting period which are classified as non-current assets.

Trade receivables are generally due for settlement within 30 days. Collectability of trade receivables is reviewed on an ongoing basis. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

(h) Plant and equipment

Plant and equipment is carried at cost, less accumulated depreciation and impairment. Costs include all expenditure that is directly attributable to acquisitions of the asset.

Depreciation is provided on a straight line basis on all depreciable tangible assets at a rate calculated to allocate their cost based on their estimated useful lives. Profits and losses on disposal of plant and equipment are taken into account in determining the operating result for the year.

The assets' residual values and useful lives (being 3 to 5 years) are reviewed and adjusted as appropriate at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the assets' carrying amount is greater than its recoverable amount (see note 1(e)).

(i) Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure, including costs of acquisition in relation to separate areas of interest for which rights of tenure are current, are brought to account in the year in which they are incurred and are carried at cost.

The exploration expenditure will be carried forward as an asset where:

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

- (i) it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest or by its sale; or
- (ii) exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Where there has been a decision to proceed with development, accumulated expenditure is amortised over the life of the associated resource once mining operations commence.

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

The key points that are considered in this review include:

- planned drilling programs.
- environmental issues that may impact the underlying tenements.
- the estimated market value of assets at the review date.

Information used in the review process is rigorously tested to externally available information as appropriate.

(j) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing operating loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financial costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. They are recognised initially at fair value and subsequently at amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) Employee benefits

Wages and salaries, annual leave

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured as the amount expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payment to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based compensation benefits

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

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

(m) Issued capital

Ordinary shares are classified as equity.

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

(n) Transfer from reserves

The balance of the share option reserve is transferred to accumulated losses once the options have expired.

2. Segment Reporting

Operating segment information is disclosed on the same basis as information used for internal reporting purposes by the board of directors. At regular intervals, the board is provided management information for the Company's cash position, the carrying values of exploration permits and a Company cash forecast for the next twelve months of operation. On this basis, no segment information is included in these Financial Statements.

All operating revenue has been derived in Australia. All exploration and evaluation assets are held in Australia.

3. Revenue

	2012	2011
	\$	\$
Interest income	192,789	262,960
Interest income – other entities	7,257	-
Total revenue	200,046	262,960

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

4. Finance Expense

	2012 \$	2011 \$
Bank charges	(341)	(292)
Total finance expense	(341)	(292)

5. Income tax

	2012 \$	2011 \$
Total tax expense comprises		
Current tax expense	-	-
Deferred tax expense	-	-
	-	-

Reconciliation between tax expense and pre-tax accounting profit

	2012 \$	2011 \$
Loss before tax	(3,530,513)	(539,532)
Income tax benefit on loss at Australian tax rate of 30% (2010: 30%)	1,059,154	161,860
Amortisation of share issue expenses	(57,137)	60,732
Capitalised exploration and evaluation expenditure	(726,195)	164,016
Movement in other temporary differences	(13,025)	6,720
	262,797	393,328
Over provided in prior years	-	3,604
Current year losses for which no deferred tax asset was recognised	(262,797)	(396,932)
Income tax expense	-	-

Deferred tax assets and liabilities

	Assets		Liabilities	
	2012 \$	2011 \$	2012 \$	2011 \$
Accrued income	-	-	(848)	(14,398)
Capitalised exploration and evaluation expenditure	-	-	(533,494)	(1,259,689)
Other accruals	8,580	9,105	-	-
Capital raising costs	57,137	58,278	-	-
Tax losses	2,930,069	2,670,074	-	-
Deferred tax assets/(liabilities)	2,995,786	2,737,457	(534,342)	(1,274,087)
Set off of deferred tax liabilities	(534,342)	(1,274,087)	(534,342)	1,274,087
Net deferred tax assets	2,461,444	1,463,370	-	-
Net deferred tax assets not recognised	2,461,444	1,463,370	-	-
Net deferred tax assets	-	-	-	-

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

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.

	2012 \$	2011 \$
Unused tax losses for which no deferred tax asset has been recognised	9,766,897	8,890,910
Potential tax benefit @ 30%	2,930,069	2,667,273

6. Loss per share

	2012 \$	2011 \$
Basic loss per share	(0.05)	(0.01)
Diluted loss per share	(0.05)	(0.01)

The loss used for the purposes of calculating basic and diluted loss per share is as follows:

	2012 \$	2011 \$
Loss attributable to ordinary shareholders (basic)	(3,530,513)	(539,532)
Loss attributable to ordinary shareholders (diluted)	(3,530,513)	(539,532)

The weighted average number of shares used for the purposes of calculating diluted loss per share reconciles to the number used to calculate basic loss per share as follows:

	2012 Shares	2011 Shares
Weighted average number of shares		
Basic loss per ordinary share denominator	65,958,684	65,958,684
Effect of share options on issue	-	-
Diluted loss per ordinary share denominator	65,958,684	65,958,684

For the years ended 30 June 2011 and 30 June 2012, options were not considered to be dilutive as the conversion would result in a reduced loss per share. The options were therefore excluded from the weighted average number of shares in the calculation of loss per share.

7. Trade and other receivables

	<i>Note</i>	2012 \$	2011 \$
Receivables due from other entities	17	595,300	-
Other receivables		28,509	72,529
Prepayments		4,772	4,550
		628,581	77,079
Non-current		592,257	-
Current		36,324	77,079
		628,581	77,079

The Company's exposure to credit risk related to trade and other receivables are disclosed in note 15.

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

8. Plant and equipment

	Office equipment \$	Total \$
Cost		
Balance at 1 July 2010	15,668	15,668
Additions	-	-
Balance at 30 June 2011	15,668	15,668
Balance at 1 July 2011	15,668	15,668
Additions	-	-
Balance at 30 June 2012	15,668	15,668
Accumulated depreciation		
Balance at 1 July 2010	(2,128)	(2,128)
Depreciation for the year	(3,409)	(3,409)
Balance at 30 June 2011	(5,537)	(5,537)
Balance at 1 July 2011	(5,537)	(5,537)
Depreciation for the year	(3,418)	(3,418)
Balance at 30 June 2012	(8,955)	(8,955)
Carrying amounts		
At 1 July 2010	13,540	13,540
At 30 June 2011	10,131	10,131
At 1 July 2011	10,131	10,131
At 30 June 2012	6,713	6,713

9. Exploration and evaluation expenditure

	2012 \$	2011 \$
Balance at beginning of year	4,198,964	3,652,244
Expenditure incurred	951,190	953,506
Amount written off	(3,371,841)	(406,786)
Carrying amount at end of year	1,778,313	4,198,964

10. Trade and other payables

	2012 \$	2011 \$
Trade payables	116,586	181,120
Accruals	255,313	39,126
Total trade and other payables	371,899	220,246

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

11. Issued capital and reserves

Ordinary share capital

	2012 No. shares	2011 No. shares	2012 \$	2011 \$
Balance at beginning of year	65,958,684	65,958,684	12,054,376	11,602,220
Transfer from Options Reserve on expiry of options	-	-	-	452,156
Balance at end of year	65,958,684	65,958,684	12,054,376	12,054,376

Holders of ordinary shares are entitled to one vote per share at shareholder meetings. In the event of winding up of the Company, ordinary shareholders are fully entitled to any proceeds of liquidation subject to prior entitlement.

Options reserve

The options reserve is used to recognize the fair value of options issued in consideration for assistance with the equity raisings and included in share issue costs.

Share-based payments reserve

The share-based payments reserve is used to recognize the fair value of options issued to employees but not exercised and the fair value of shares issued to employees.

	2012 No. options	2011 No. options	2012 \$	2011 \$
Balance at beginning of year	6,000,000	6,000,000	497,592	497,592
Expiry of options	(6,000,000)	-	(497,592)	-
Balance at end of year	-	6,000,000	-	497,592

There were no share based payment arrangements at 30 June 2012.

Historically, all options granted were for ordinary shares in Top End Uranium Ltd, which conferred a right of one ordinary share for every option held.

Grant Date	Expiry Date	Exercise Price	Balance at	Granted	Exercised	Forfeited	Balance at	Vested &
			start of year	during the	during the	during the	end of year	exercisable
			Number	Number	Number	Number	Number	at end of year
30 June 2012								
26/02/2008	26/02/2012	\$0.20	6,000,000	-	-	(6,000,000)	-	-
			6,000,000	-	-	(6,000,000)	-	-
Weighted average price		\$0.20						
30 June 2011								
26/02/2008	26/02/2012	\$0.20	6,000,000	-	-	-	6,000,000	6,000,000
			6,000,000	-	-	-	6,000,000	6,000,000
Weighted average price		\$0.20						

The options expired on 26 February 2012.

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

12. Cash and cash equivalents

	2012 \$	2011 \$
Cash at bank and on hand	115,234	343,138
Deposits at call	2,480,000	3,758,389
Cash and cash equivalents	2,595,234	4,101,527
Cash and cash equivalents in the Statement of Cash Flows	2,595,234	4,101,527

The Company's exposure to interest rate risk is disclosed in note 15. The term deposits have a maturity of between 1 and 3 months.

Reconciliation of cash flows from operating activities

	2012 \$	2011 \$
Loss for the year	(3,530,513)	(539,532)
<i>Adjustments for</i>		
Depreciation	3,418	3,409
Exploration impaired	3,371,841	406,786
	(155,254)	(129,337)
Change in trade and other receivables	43,798	(46,531)
Change in trade and other payables	(5,696)	125
Net cash used in operating activities	(117,152)	(175,743)

13. Contingencies

There are no contingent liabilities that the Company has become aware of.

14. Commitments

Exploration expenditure

The Company has to perform minimum exploration work and expend minimum amounts of money on its tenements. The overall expenditure requirement tends to be limited in the normal course of the Company's tenement portfolio management through expenditure exemption approvals and expenditure reductions through relinquishment of parts or the whole of tenements deemed non prospective. Should the Company wish to preserve interest in its current tenements the amount which may be required to be expended is as follows:

	2012 \$	2011 \$
Due within one year	571,542	1,264,754
Due later than one year and not later than five years	2,042,030	437,003
Due later than five years	-	-
	2,613,572	1,701,757

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

15. Financial instruments

The Company's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects of the financial performance of the entity.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange risk, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company does not operate internationally and therefore its exposure to foreign exchange risk arising from currency exposures is limited. The Company is not exposed to equity security price risk and holds no equity investments. The Company is not exposed to commodity price risk as the Company is still carrying out exploration.

Interest rate risk

Interest rate risk arises from investment of cash at variable rates. Any excess funds are kept in a cash on deposit account and transferred to the operating account as required. The Company's income and operating cash flows are not materially exposed to changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	Carrying amount	
	2012 \$	2011 \$
Variable rate instruments		
Cash and cash equivalents	2,595,234	4,101,527
	2,595,234	4,101,527

An increase of 100 basis points (decrease of 100 basis points) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2011. The following table summarises the sensitivity of the Company's financial assets (cash) to interest rate risk:

	Carrying amount \$	Profit or loss		Equity	
		100 bp increase \$	100 bp decrease \$	100 bp increase \$	100 bp decrease \$
30 June 2012					
Variable rate instruments					
Cash and cash equivalents	2,595,234	25,952	(25,952)	25,952	(25,952)
	2,595,234	25,952	(25,952)	25,952	(25,952)
30 June 2011					
Variable rate instruments					
Cash and cash equivalents	4,101,527	41,015	(41,015)	41,015	(41,015)
	4,101,527	41,015	(41,015)	41,015	(41,015)

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company has no significant concentration of credit risk. Credit risk arises from cash and cash equivalents held with the bank and financial institutions, receivables due from other entities. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The maximum exposure to credit risk is the carrying amount of the financial asset. The maximum exposure to credit risk at the reporting date was:

	2012 \$	2011 \$
Cash and cash equivalents	2,595,234	4,101,527
Other Receivables	31,552	72,529
Loan Receivables	592,257	-
	3,219,043	4,174,056

Impairment loss

The aging of the Company's loans and receivables at the reporting date was:

	At 30 June 2012		At 30 June 2011	
	Gross \$	Impairment \$	Gross \$	Impairment \$
Current	31,552	-	72,529	-
31 – 60 days	-	-	-	-
61 – 90 days	-	-	-	-
91 days and over	592,257	-	-	-
	623,809	-	72,529	-

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's liquidity risk arises from operational commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Management aims at maintaining flexibility in funding by regularly reviewing cash requirements and monitoring forecast cash flows.

The following are the contractual maturities of financial liabilities:

	Carrying amount \$	Total contractual cash flows \$	6 months or less \$	6 to 12 months \$
30 June 2012				
Financial liabilities				
Trade and other payables	371,899	371,899	371,899	-
	371,899	371,899	371,899	-
30 June 2011				
Financial liabilities				
Trade and other payables	220,246	220,246	220,246	-
	220,246	220,246	220,246	-

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represent their respective net fair value determined in accordance with the accounting policies referred to in note 1. Fair value approximates carrying value due to the short term nature of these instruments.

Capital management

The Company's policy in relation to capital management is for management to regularly and consistently monitor future cash flows against expected expenditures for a rolling period of up to 12 months in advance. The Board determines the Company's need for additional funding by way of either share placements or loan funds depending on market conditions at the time. Management defines working capital in such circumstances as its excess liquid funds over liabilities, and defines capital as being the ordinary share capital of the Company.

There were no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements.

16. Key management personnel

The names of the key management personnel in office during the year are as follows:

- J Gutnick Executive Chairman and Managing Director
- C Michael Executive Director, resigned 30 April 2012
- I Hastings Non-Executive Director, resigned 29 March 2011
- T Reddcliffe Chief Executive Officer and Executive Director, resigned 8 July 2011
- M. Vorchheimer Executive Director, appointed 8 July 2011
- P. Lee Executive Director, Chief Financial Officer and Company Secretary, appointed 30 April 2012¹
- M.Kammerman Exploration Manager

¹P Lee was appointed Chief Financial Officer and Company Secretary on 12 August 2009 and appointed Executive Director on 30 April 2012.

Key management personnel compensation comprises:

	2012	2011
	\$	\$
Short-term employee benefits	155,319	120,383
Post-employment benefits	13,978	7,684
Share-based payments	-	-
	169,297	128,067

Equity instrument disclosures relating to key management personnel

Options over equity instruments

No options were provided as remuneration and no shares were issued on exercise of any options.

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

The number of options over ordinary shares in the Company held during the financial year by each director of Top End Uranium Ltd and other key management personnel of the Company, including their personally related parties are set out below:

	Held at beginning of year	Granted	Other changes*	Exercised	Held at end of year
30 June 2012					
<i>Directors</i>					
J Gutnick	-	-	-	-	-
M Vorchheimer	-	-	-	-	-
C Michael	-	-	-	-	-
T Reddicliffe	1,000,000	-	(1,000,000)	-	-
P Lee	-	-	-	-	-
<i>Other key management personnel</i>					
M. Kammerman	-	-	-	-	-
	1,000,000	-	(1,000,000)	-	-

	Held at beginning of year	Granted	Other changes*	Exercised	Held at end of year
30 June 2011					
<i>Directors</i>					
J Gutnick	-	-	-	-	-
I Hastings	2,500,000	-	(2,500,000)	-	-
C Michael	-	-	-	-	-
T Reddicliffe	1,000,000	-	-	-	1,000,000
<i>Other key management personnel</i>					
P Lee	-	-	-	-	-
	3,500,000	-	(2,500,000)	-	1,000,000

* Other changes represent options that expired or were forfeited during the year.

Equity holdings and transactions

The number of ordinary shares in the Company held during the financial year by each director of Top End Uranium Ltd and other key management personnel of the Company, including their personally related parties are set out below

	Held at beginning of year	Received on exercise of options	Other changes	Held at end of year
30 June 2012				
<i>Directors</i>				
J Gutnick	3,937,711	-	-	3,937,711
M Vorchheimer	-	-	-	-
C Michael	-	-	-	-
T Reddicliffe	-	-	-	-
P Lee	-	-	-	-
<i>Other key management personnel</i>				
M Kammerman	-	-	-	-
	3,937,711	-	-	3,937,711

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

	Held at beginning of year	Received on exercise of options	Other changes	Held at end of year
30 June 2011				
<i>Directors</i>				
J Gutnick	3,937,711	-	-	3,937,711
I Hastings	-	-	-	-
C Michael	-	-	-	-
T Reddicliffe	-	-	-	-
<i>Other key management personnel</i>				
P Lee	-	-	-	-
	3,937,711	-	-	3,937,711

Other transactions

Loans to key management personnel

There were no loans made to directors or other key management personnel of the Company during the year.

17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 16 to the financial statements.

Transactions with related parties

Transactions between the Company and other related entities during the years ended 30 June 2012 and 2011 consisted of services provided by North Australian Diamonds Limited, pursuant to the Administration and Technical Services Agreement between the Company and North Australian Diamonds Limited.

	Transaction value for the year ended 30 June		Balance outstanding at 30 June	
	2012 \$	2011 \$	2012 \$	2011 \$
<i>Paid or payable to related entity</i>				
Management fees	264,000	264,000	-	-
Administrative and exploration expenses	222,252	521,731	77,287	65,815
	486,252	785,731	77,287	65,815

Top End Uranium Ltd
Notes to and forming part of the Financial Statements
for the year ended 30 June 2012

Transactions with other entities

AXIS Consultants Pty Ltd ('AXIS'), a company of which Mr J I Gutnick is a Director, provided management services to the Company for the year.

	Transaction value for the year ended 30 June		Balance outstanding at 30 June	
	2012 \$	2011 \$	2012 \$	2011 \$
<i>Receivable/(Payable) to other entity</i>				
Management services	382,907	214,998	3,043	(77,117)
Loan receivable	585,000	-	585,000	-
Interest receivable	7,257	-	7,257	-
	975,164	214,998	595,300	(77,117)

All transactions were made on normal commercial terms and conditions and at market rates, except that there is no fixed terms for the repayment of loans between the parties. The interest rate charged during the year was 10.24%.

18. Auditors remuneration

	2012 \$	2011 \$
Audit services		
<i>BDO¹</i>		
Audit and review of financial reports	37,300	30,320
Other services		
<i>BDO¹</i>		
Taxation compliance services	6,600	16,926
	43,900	47,246

¹BDO East Coast Partnership formally traded as PKF East Coast Practice.

19. Subsequent events

Other than the matters outlined elsewhere in these financial statements, no matters or circumstance have arisen since 30 June 2012 that have a significant effect on the Company.

Directors' Declaration

The Directors of Top End Uranium Ltd (the 'Company') declare that:

- (a) In the Directors' opinion the financial statements and notes that are set out on pages 13 to 32 and the Remuneration Report in the Directors Report set out on pages 8 to 11, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2012 and of its performance, for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001.
- (b) the financial report also complies with International Financial Reporting Standards adopted by the International Accounting Standards Board (IASB) as disclosed in note 1; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 by the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2012.

Signed in accordance with a resolution of the Directors.

Dated at Melbourne this 28th day of September 2012.



J I Gutnick
Director

INDEPENDENT AUDITOR'S REPORT

To the members of Top End Uranium Limited

Report on the Financial Report

We have audited the accompanying financial report of Top End Uranium Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, the statement of changes in equity and the 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.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a), the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Top End Uranium Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Opinion

In our opinion:

- (a) the financial report of Top End Uranium Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company'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 Note 1(a).

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 11 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.

Opinion

In our opinion, the Remuneration Report of Top End Uranium Limited for the year ended 30 June 2012 complies with section 300A of the *Corporations Act 2001*.

BDO East Coast Partnership

A handwritten signature in black ink, appearing to read 'James Mooney'. Above the signature is a small, stylized logo consisting of the letters 'BDO' in a bold, sans-serif font.

James Mooney

Partner

Melbourne, 28 September 2012

Top End Uranium Ltd Corporate Governance

The main corporate governance practices that the Board of Top End Uranium Ltd had in place during the year were:

1. Board of Directors

i. Board Responsibilities

The Board's role is to maximize wealth creation and shareholder value in the Company. It assumes responsibility for overseeing the affairs of the Company by ensuring that they are carried out in a professional and ethical manner and that business risks are effectively managed. The primary responsibilities of the Board include the following:

- To oversee the Company, including its control and accountability systems
- To appoint and remove the Chief Executive Officer (or equivalent)
- To ratifying the appointment and, where appropriate, the removal of the Chief Financial Officer (or equivalent) and the Company Secretary
- To have input into and final approval of management's development of corporate strategy and performance objectives
- To review and ratify systems of risk management and internal compliance and control, codes of conduct, legal compliance and any other regulatory compliance
- To monitoring senior management's performance and implementation of strategy, and ensuring appropriate resources are available
- To approve and monitor the progress of major capital expenditure, capital management, and acquisitions and divestitures
- To approve and monitor financial and other reporting to shareholders and the market
- To monitor the Board composition, Director selection, Board processes and performance and ensure Directors have an understanding of the Company's business
- To monitor and influence the key standards of the Company including ethical standards, reputation and culture
- To review and approve executive remuneration
- To approve annual budgets

ii. Board Composition

While the Company's Constitution fixes the maximum number of Directors at twelve, the Board currently comprises three Executive Directors. The Company does not have a majority of independent Directors. The Executive Chairman and Managing Director of the Company is the Executive Chairman and Managing Director of North Australian Diamonds Limited, which is a substantial shareholder of the Company, and is not independent in accordance with the ASX Corporate Governance Council definitions and recommendations. In considering the best interests of the Company and its shareholders, the Board believes that the background and experience of the Chairman should not preclude him from the office of Chairman of the Board on the grounds of him being the Executive Chairman and Managing Director of a substantial shareholder. The Chairman is also the Managing Director. The Board believes the experience in the industry that the Company operates in that Mr JI Gutnick brings to the Company is invaluable and is in the best interests of all shareholders. Messrs Lee and Vorchheimer are deemed to be Executive Directors and the Board believes that their background and experience is important to the Company. The Company is currently searching for a Non-Executive Director.

To ensure that it has the right mix of management skills and technical expertise to meet the challenges of its business, the Board regularly reviews its composition. The Board believes that at the current stage of the Company's development, the composition is adequate. However, it continues to assess the need to enhance the membership of the Board and is cognisant of the ASX Corporate Governance Council definitions and recommendations.

iii. Appointment/Retirement of Directors

The Company's Constitution requires that all Directors other than the Managing Director submit themselves for re-election every three years with not less than one third of the Board retiring by rotation. Directors appointed during the period since the last Annual General Meeting of the Company must submit themselves for election at the next Annual General Meeting. Accordingly, Mr Lee will retire at the 2012 Annual General Meeting and may seek re-election. Mr Vorchheimer is required to retire by rotation at the 2012 Annual General Meeting and may seek re-election.

iv. Board Meetings

The full Board meets formally to conduct appropriate business. The Board uses resolutions in writing signed by all Directors to deal with matters requiring decisions between meetings.

v. Directors' Remuneration

Total remuneration for the Chief Executive Officer includes an annual salary and other entitlements. Attendance at and participation in Board and Committee meetings are considered among the duties of the Executive Directors. Non-Executive Directors receive fees for attending Board and Committee meetings. Pro-rata fees are paid to Non-Executive Directors who serve for less than a full year. None of the other Directors or the Chief Financial Officer and Company Secretary has letters of appointment.

vi. External Advice to Directors

The Company recognises that in the exercise of their responsibilities there may be occasions when Directors may wish to seek independent professional advice. With the prior consent of the Chairman, advice can be obtained at the Company's expense and is to be made available to the whole Board.

vii. Performance Evaluation of Board, its Members and Executives

During the year, the Board completed a formal performance evaluation of the Board, its members and the Executives.

2. Board Committees

The Board has Committees to address the areas of remuneration and audit.

i. Remuneration Committee

The Company does not have a Remuneration Committee. All matters that would usually fall to a Remuneration Committee are handled by the full Board. The Board considers that it is appropriate for the Company at this time not to have a Remuneration Committee and for remuneration issues to be handled by the full Board, given the size of the Board. As the Remuneration Committee functions are carried out by the Board, the Company does not comply with the Remuneration Committee membership criteria set out in the CGC Principles and Recommendations. The Company uses short-term and long-term incentives as part of an executive's remuneration package. The Board meets to review remuneration policies and practices of the Company, to ensure that they meet current market conditions. The Board draws on the experience of Senior Management and where appropriate, seeks the advice of external consultants. The Remuneration Committee has a formal charter and this is followed by the Board in its deliberations.

Top End Uranium Ltd
Corporate Governance

ii. Audit Committee

The Company does not have an Audit Committee. All matters that would usually fall to an Audit Committee are handled by the full Board. The Board considers that it is appropriate for the Company at this time not to have an Audit Committee and for audit issues to be handled by the full Board. The Company has adopted a formal Audit Committee Charter and this is followed by the Board in its deliberations. The Board monitors internal control policies and procedures designed to safeguard the Company's assets and to maintain the integrity of financial reporting. As the Audit Committee functions are carried out by the Board, the Company does not comply with the Audit Committee membership criteria set out in the CGC Principles and Recommendations.

iii. Nomination Committee

The Company does not have a Nomination Committee. The Board believes that with only three Directors on the Board, the Board itself is the appropriate forum to deal with this function. In considering the nomination of new board members, the board consider the skill set and experience of existing board members and the skills required for a balanced board.

3. Diversity

The Company has established a formal written policy on diversity which is posted on its website. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. Over the 2011-2012 financial year, the Company is to review the announced Corporate Governance Committee recommendations on diversity and prepare a policy, including measurable objectives for achieving gender diversity for the board to assess annually. From a board perspective, the Company, with its current board membership, already meets a number of the diversity guidelines. As noted elsewhere in the Remuneration Report and this Corporate Governance section, the Company is managed by AXIS Consultants Pty Ltd pursuant to a Service Agreement and thus does not have any employees. Accordingly, other than the membership of the board, and senior management (who are employed by AXIS and supplied through the Service Agreement), diversity is not relevant to the Company.

4. Role of Management

Day to day management of the Company's activities and the implementation of Board strategy, policy and decisions is delegated to management. This includes the following:

- To develop and recommend internal control and accountability systems for the Company and if approved, ensure compliance with such systems.
- To prepare mission systems, corporate strategy and performance objectives for approval by the Board of Directors.
- To prepare systems of risk management and internal compliance and controls, codes of conduct, legal compliance and any other regulatory compliance and if approved, ensure compliance with such systems.
- To monitor employees' performance, recommend appropriate resources and review and approve remuneration.
- To prepare all required financial reports, tax returns, budgets and any other appropriate financial reports, meet all statutory deadlines, monitor performance against budgets.
- Prepare recommendations on acquisitions and divestments of assets.
- To implement decisions of the Board of Directors on key standards of the Company covering such areas as ethical standards, reputation and culture of the Company and influence and provide guidance for employees on these areas.
- To protect the assets of the Company.

5. Risk Management

The Company continues to monitor its operations to identify the greatest areas of potential risk to minimise any adverse effects on the Company's strategic, operational and financial activities.

i. Environment

Details of the environmental policy and other related matters are provided in the Environment section of the Directors' Report.

ii. Occupational Health and Safety

The Company is committed to providing a safe and healthy working environment for all staff. It considers that safety is a collective responsibility and ensures that regular training in safe working methods is undertaken and encourages participation and involvement in the development of workplace safety programs. Individual employees and employees of contractors are required to practice safe working habits, to take all reasonable care to prevent injury to themselves and their colleagues and to report all hazards and accidents.

New staff and contractors (where appropriate) are required to undergo an induction program to familiarise themselves with policies, procedures and work practices prior to commencing work. All staff are covered against injury under the various Workers' Compensation Acts.

iii. Financial Reporting

The Managing Director and Chief Financial Officer and Company Secretary sign off to the Board of Directors in respect to the annual financial statements and risk management policies as required by law and the ASX Corporate Governance Council "Principles of Good Corporate Governance and Best Practice Recommendations".

6. Code of Conduct

i. Ethical Standards

The Company operates under a code of conduct that sets out the ethical standards under which the Company operates when dealing with internal and external parties. This code requires parties (including Directors and executives) to act with integrity, fairness and honesty in all dealings and to treat other parties with dignity at all times. They are required to:

- not discriminate against any staff member or potential employee;
- carry out their duties in respect to the law at all times;
- to use the Company's assets responsibly;
- to respect the confidentiality of the Company's business dealings; and
- take responsibility for their own actions and for the consequences surrounding their own actions.

ii. Share Trading

In July 2010, the Company amended its policy following the release of changes to the ASX Corporate Governance Guidelines. It is the Company's policy to encourage Directors, employees and related parties to own Shares in the Company. The trading in shares policy strongly reinforces the obligations of Directors and employees, both of the Company and AXIS Consultants Pty Ltd, under the Corporations Act 2001 and the Australian Securities Exchange Listing Rules in relation to trading in Company shares. The acquisition and sale of

Top End Uranium Ltd
Corporate Governance

Company shares by Directors and employees is prohibited in periods of fourteen (14) days prior to the announcement of the Company's quarterly reports, and thirty (30) days prior to the announcement of the Company's half yearly and full year reports to the Australian Securities Exchange. Directors, employees and related parties can seek permission from the Chairman to purchase or sell shares outside these periods. Directors and Executives can only seek permission to trade in shares in the blackout period in cases of extreme financial hardship. In the case of the Chairman, he must seek permission from a Director or the Company Secretary. The policy also sets out that there should be no speculative trading. Directors and employees are required to report share trading to the Company Secretary.

7. Continuous Disclosure Compliance

The Company's continuous disclosure compliance procedure enables it to meet its obligations and to ensure that all matters, which may require announcement to the Australian Securities Exchange, are brought to the attention of Directors immediately.

8. Communicating with Shareholders

The Board ensures that shareholders are kept informed of all major developments that affect their shareholding or the Company's state of affairs through quarterly, half-yearly, annual and ad hoc reports. All shareholders are encouraged to attend the Annual General Meeting to meet the Chairman and Directors and to receive the most updated report on Company activities. The auditors of the Company attend the annual general meeting for the purpose of answering any questions on the annual financial statements and audit thereof, properly brought before the meeting. The Company maintains a website at <http://www.teu.com.au> to provide shareholders with up to date information on the Company's activities. Shareholders may also communicate with the Company through its e-mail address info@teu.com.au.

The Company does not web-cast shareholder meetings and does not believe that at this stage the cost-benefit of web casting is worthwhile to a Company of its size.

Top End Uranium Ltd
Australian Securities Exchange Information

As at 21 September 2012, the following information applied:

1. Substantial Shareholders

Substantial shareholders disclosed in substantial shareholder notices to the Company:

Name	Number of Fully Paid Ordinary Shares held
North Australian Diamonds Limited	20,538,022

2. Fully Paid Ordinary Shares

The number of holders of fully paid ordinary shares in the Company is 810. On a show of hands every holder of fully paid ordinary shares present or by proxy, shall have one vote. Upon a poll, each share shall have one vote. The distribution of holders of fully paid ordinary shares is as follows:

Category	Number of Shareholders
Holding between 1-1,000 Shares	23
Holding between 1,001 - 5,000 Shares	184
Holding between 5,001 – 10,000 Shares	208
Holding between 10,001-100,000 Shares	352
Holding more than 100,001 Shares	43

The number of holders with less than a marketable parcel of fully paid ordinary shares is 437. The Company's fully paid ordinary shares are quoted on the Australian Securities Exchange using the code NAD.

The top 20 shareholders are as follows:

Name	Number of Fully Paid Ordinary Shares held	Percentage interest
North Australian Diamonds Limited	20,538,022	31.14%
Pershing Australia Nominees Pty Ltd (Argonaut Account)	11,114,508	16.85%
Great Central Resources Corp	3,937,711	5.97%
Norvest Projects Pty Ltd	2,000,000	3.03%
J P Morgan Nominees Australia Limited	1,500,000	2.27%
Dalkeith Resources Pty Ltd (Dalkeith Resources S/F)	1,333,099	2.02%
Mrs Stanislawa Nowak	1,099,400	1.67%
Mr Alan Brien & Mrs Melinda Brien	962,296	1.46%
Mambat Pty Ltd	725,000	1.10%
Mr John Roy Malyon	634,577	0.96%
Mr Christopher John Fone	625,465	0.95%
Arharidis Brothers Pty Ltd	600,000	0.91%
Mr Randall Kaissis	539,808	0.82%
Red Star 51 Pty Ltd (Excel Super Fund A/C)	500,000	0.76%
Bell Potter Nominees Ltd (BB Nominees A/C)	400,000	0.61%
Mr Clayton Dodd (Dodd Family Super Fund A/C)	400,000	0.61%
Mr John Darroch & Mrs Gloria Darroch & Mr Richard Darroch & Ms Helen Darroch (JN Darroch Private S/F A/C)	393,600	0.60%
Mr Richard William Whiting & Mrs Catherine Mary Whiting (RW + CM Super Fund A/C)	350,000	0.53%
Biddlecombe Pty Ltd (Biddlecombe Pension No 2 A/C)	325,000	0.49%
Mr Gregory John Bandy & Mrs Jennifer Therese Bandy (The GJ Brandy Super Fund A/C)	325,000	0.49%

Top End Uranium Ltd
Tenement List

PROJECT	TENEMENT	STATUS	AREA KM2	TEU
MERLIN	EL 10189	Granted	206.08	earning 100%
NADL granted TEU the right to access land for the purpose of exploring for, mining and processing minerals other than diamonds	EL 25580	Granted	48.30	earning 100%
	EL 25676	Granted	180.32	earning 100%

ARNHEM LAND	TENEMENT	STATUS	AREA KM2	TEU
NADL granted TEU the right to access land for the purpose of exploring for, mining and processing minerals other than diamonds	EL 330	Granted	405.72	earning 100%
	EL 25976	Granted	148.12	earning 100%
	EL 26206	Granted	106.26	earning 100%
	EL 331	Application	805.00	earning 100%
	EL 3335	Application	515.20	earning 100%
	EL 3337	Application	70.84	earning 100%
	EL 3341	Application	724.50	earning 100%
	EL 6531	Application	1610.00	earning 100%
	EL 10003	Application	402.50	earning 100%
	EL 10230	Application	115.92	earning 100%
	EL 10231	Application	157.78	earning 100%
	EL 10232	Application	470.12	earning 100%
	EL 10233	Application	515.20	earning 100%
	EL 22262	Application	241.50	earning 100%
	EL 24501	Application	1014.30	earning 100%
	EL 24701	Application	663.32	earning 100%
	EL 24702	Application	1577.80	earning 100%
	EL 24703	Application	785.68	earning 100%
	EL 24853	Application	1400.70	earning 100%
	EL 24854	Application	360.64	earning 100%
	EL 24881	Application	882.28	earning 100%
	EL 24916	Application	766.36	earning 100%
	EL 25970	Application	38.64	earning 100%
	EL 25973	Application	135.24	earning 100%
	EL 25974	Application	9.66	earning 100%
	EL 25975	Application	25.76	earning 100%
	EL 27235	Application	615.02	earning 100%
	EL 27236	Application	344.54	earning 100%
	EL 28066	Application	67.62	earning 100%
	EL 28067	Application	251.16	earning 100%
	EL 28068	Application	144.90	earning 100%
	EL 28069	Application	51.52	earning 100%
EL 28070	Application	470.12	earning 100%	
EL 28071	Application	608.58	earning 100%	
EL 25302	Application	402.50	earning 80%	
EL 25319	Application	1610.00	earning 80%	
EL29398	Application	19.32	earning 100%	
EL29399	Application	1081.92	earning 100%	
EL29400	Application	12.88	earning 100%	
EL29401	Application	6.44	earning 100%	
EL29402	Application	19.32	earning 100%	
EL29403	Application	70.84	earning 100%	
EL29407	Application	6.44	earning 100%	
EL29408	Application	186.76	earning 100%	

Top End Uranium Ltd
Tenement List

PROJECT	TENEMENT	STATUS	AREA KM2	TEU
	EL29409	Application	12.88	earning 100%
	EL29410	Application	6.44	earning 100%
	EL29411	Application	12.88	earning 100%
	EL29412	Application	19.32	earning 100%
	EL29413	Application	80.5	earning 100%
	EL29414	Application	22.54	earning 100%

Top End Uranium Ltd
Corporate Information

Directors

Joseph Gutnick
Peter Lee
Menachem Vorchheimer

Company Secretary

Peter Lee

Registered Office and Domicile

Level 8, 580 St. Kilda Road
Melbourne Victoria 3004
Australia
Telephone: +61 3 8532 2848
Facsimile: +61 3 8532 2805
E-mail: info@teu.com.au
Internet: <http://www.teu.com.au>

Legal Form

A public company limited by shares

Country of Incorporation

Australia

Share Registry

Link Market Services Limited
Level 9, 333 Collins Street
Melbourne Victoria 3000
Australia
Telephone: 1300 554 474 or + 61 3 9615 9999
Facsimile: +61 3 8614 2903

Shareholder Information

Manager Investor Relations
Telephone: +61 3 8532 2858
Facsimile: +61 3 8532 2805
E-mail: info@teu.com.au
Internet: <http://www.teu.com.au>

Auditors

BDO East Coast Partnership
Level 14, 140 William Street
Melbourne Victoria 3000
Australia

Australian Securities Exchange Listing Code

TEU

Bankers

Westpac
Level 6, 360 Collins Street
Melbourne Victoria 3000
Australia