



# ANNUAL REPORT

YEAR ENDED 30 JUNE 2013

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

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# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE DIRECTORY

This annual report covers Firestrike Resources Limited and its controlled entity (“the Consolidated Group” or “Group”) during the year ended 30 June 2013. The functional and presentation currency of the Consolidated Group is Australian dollars.

OFFICERS	Roger Steinepreis David Holden Paul Lloyd  Philip Re	(Non-Executive Chairman) (Managing Director) (Non-Executive Director/Company Secretary) (Company Secretary)
REGISTERED OFFICE	C/Regency Corporate Pty Ltd Suite 1, GF, 437 Roberts Road SUBIACO WA 6008	
SOLICITORS	Steinepreis Paganin Lawyers and Consultants Level 4, The Read Buildings 16 Milligan Street PERTH WA 6000	
AUDITORS	HLB Mann Judd Level 4, 130 Stirling Street PERTH WA 6000	
SHARE REGISTRY	Advanced Share Registry Ltd Unit 2, 150 Stirling Highway NEDLANDS WA 6009 Telephone: (08) 9389 8033 Facsimile: (08) 9389 7871	
PRINCIPAL PLACE OF BUSINESS	C/Regency Corporate Pty Ltd Suite 1, GF, 437 Roberts Road SUBIACO WA 6008 Telephone: (08) 9476 9203 Facsimile: (08) 9382 1122	
WEBSITE	<a href="http://www.firestrike.com.au">www.firestrike.com.au</a>	
ASX CODE	FIE	

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

*I have pleasure in presenting to you the Annual Report for Firestrike Resources Limited after what has been yet another testing year for the Company.*

As you will no doubt be aware, changes in the economic landscape over the past 12 months have challenged many junior exploration companies including Firestrike Resources Limited.

As a response, your Directors have moved swiftly to implement changes which have led to the significant reduction in expenditure whilst retaining the integrity of the shareholders' interests through maintaining the existing capital structure.

Hard decisions made by the board resulted in withdrawal from the Elephant Canyon JV, even though it offered promise as a significant base metals discovery. The financial obligations facing the Company in terms of time based milestones were seen to be a liability beyond the Company's capability and could have resulted in far greater financial stress if the JV were allowed to continue.

This also precipitated the termination of negotiations on the Christina Project in Argentina where again, although the technical merits of the project were in line with the Company strategy for acquisition, cash payments on a time based structure were seen as a financial strain on the Company that was unacceptable given the current cash reserves.

Of course the Company is still very focussed and driven to become a successful junior exploration company but will do so in a way that benefits all existing shareholders and reward their patience and support during this difficult period.

The Company is already assessing a number of new and exciting projects that would not only add great value to the company and to shareholders, but would be on commercial terms that would not place the company under further financial stress.

The Company's technical direction is still driven by the small but very committed team from the office in Perth and given the fiscal hurdles put in front of the Company over the year, this team has continued to work to the very highest of professional standards remaining committed to finding ways to try to improve shareholder wealth in such turbulent times.

So it is on behalf of your Directors that I present to you the report on the Company and its controlled entity for the financial year ended 30 June 2013.

Roger Steinepreis

CHAIRMAN

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Directors

The Directors in office during the year were:

Roger Steinepreis (Non-Executive Chairman)

David Holden (Managing Director)

Paul Lloyd (Non-Executive Director)

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

#### Company Secretary

Paul Lloyd was appointed joint Company Secretary on 17 May 2013.

Philip Re held the position of joint Company Secretary during the financial year.

#### Principal Activities

The Company was incorporated on 10 March 2011.

The Company ("Firestrike" ASX: FIE) successfully listed on the ASX on 26 July 2011 after completing a capital raising under a prospectus by issuing 15,500,000 shares at \$0.20 to raise \$3,100,000.

Firestrike is a gold and base metal exploration company. The Company's vision is to maximise shareholder wealth through successful exploration, namely the discovery and subsequent definition of economic resources.

The Company has exploration activities currently running in Australia.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS

### Elephant Canyon Gold Copper Project

In June 2012, Firestrike Resources Limited concluded its due diligence evaluation and Joint Venture negotiations and entered into an agreement with Escalante Star LLC to explore the Elephant Canyon base and precious metals porphyry project Utah USA. Under the terms of the agreement Firestrike had 3 years in which to deliver a 500,000 ounce gold equivalence inferred resource to earn 80% equity in the project.

By August 2012 the Company had committed to drilling the first of the previously identified drill-ready targets on the property focused on identifying potentially high grade gold mineralisation within a perceived epithermal system of shears and fissures known as the Coronado prospect.

Drilling was completed by the start of September 2012 and in November the Company released the findings from the drilling. In total 1,900 metres (for 1,800 samples) of reverse circulation drilling was completed. (ASX release dated 2 August 2012).

Results from this initial phase of drilling were in line with the tenor of grade expected for a potential porphyry style (bulk tonnage low grade) deposit rather than higher grade gold mineralisation as anticipated.

FSRC12-19 intersected 13 metres (44 feet) at 0.72g/t gold incl. 2.5metres (8 feet) at 1.9 g/t and 1.2 metres (4 feet) at 1.4 g/t; FSRC -11; 5 metres (16 feet) at 0.14g/t gold; FRC 12 -16 with 5 metres (16 feet) at 0.24g/t gold, whilst FSRC12-14 included 1.2 metres (4 feet) at 0.20% copper and FSRC12-10 with 1.2 metres (4 feet) at 0.19% Copper. (Full results shown in ASX release dated 26<sup>th</sup> November 2012).

In December 2012, whilst evaluation of the drill results continued and proposals for further drilling were prepared, the company completed additional surface sampling. The sampling was conducted by an Independent consulting Geologist from Australia primarily to verify historical surface sampling. Confirmation of the historical results was necessary prior to embarking on further drilling as a disconnect between the surface samples at Coronado and the recent drill results were apparent.

A total of 241 samples (ECR001-241) were collected as continuous 'rock chip' channel samples, mineralised samples in outcrop derived from the existing workings or as mullock /dump samples found in the area.

The results confirmed that elevated gold and copper was present at several prospects including Lucky Boy and Lucky Boy North. More notably the sampling has highlighted abundant high grade silver fissure zones with associated lead and zinc particularly in the north of the current claims area at Silver Gulch, Silver Bear and Mocassin. Details of the results were released to the market as "Widespread high grade metals in surface samples". 5/2/2013.

The area has historically produced lead, zinc, copper, gold and silver. Its genesis is recognised as intrusive related with skarn mineralisation present within overlying limestone and potentially higher grade copper and gold within fissures and vein systems.

The Project area itself is close to State highways and within two kilometres of the township of Milford which is a major railhead for the Union Pacific Railway. In terms of infrastructure the property has electrical power and gas supply lines passing through the far eastern margin and is less than four hours travel by road from the State's capital, Salt Lake City.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS (CONTINUED)

After careful consideration, it was decided that given the current market conditions, the Company may not be in a suitable position to meet the required milestones over the next 24 months. The project has good technical prospects, however with the inability to be able to raise sufficient capital it is unlikely that the Company would be able to successfully fund the level of exploration required to advance the project to any significant level.

Unfortunately with the fall in support for junior resource companies globally, the Directors decided to withdraw from the Elephant Canyon JV, as announced to the market on 2 July 2013.

#### Christina Gold Project

In March 2013, the Company sought to add a second project to the portfolio with the potential for high grade gold mineralisation within an epithermal vein system in San Juan Province, Argentina.

The project (Christina Project) was considered worth pursuing given its close proximity to Troy Resources Ltd's successful Casposo Mine, and the historical high grade gold surface samples taken from the exposed fissures and veins at surfaces by previous explorers.

Mineralisation is thought to be related to the northwest oriented major regional structural trend and may also relate to nearby Alcaparossa porphyry stock. It is seen as a number of complex vein structures which can be traced at surface for over 4 kilometres of strike length within approx. 130km<sup>2</sup> of exploration tenure. The style is mainly veining within a sequence of mafic rocks and sediments of Ordovician age. Central to the main lode vein is predominantly quartz within a broad halo of quartz -carbonate stock work and veinlets extending out into the wall rock.

This project had progressed to the phase of development where drilling would be expected once final target confirmation through trenching, mapping and additional geophysics has been completed. Given that environmental assessment appears to be in place, drilling could have commenced as early as mid-2013.

In June 2013 the Company's Directors decided not to continue with JV negotiations and due diligence. As with the Elephant Canyon Project, although technically the project presented an exploration opportunity in line with the Company's strategic plan, the requirement to meet annual vendor payments to maintain the option to explore was seen as potentially onerous given the current financial climate and remaining funds. The decision was again reached to conserve the existing funds and to continue to look for opportunities that offered exploration potential but did not place the company in a position of ongoing financial liability.

Both Joint Ventures required substantial capital to be raised in the short to medium term. Given the difficult capital markets, the interests of existing shareholders is better served through conserving cash rather than completing a heavily dilutive capital raising to fund exploration and option payments on the two Joint Ventures.

#### Angelo Project, Halls Creek E80/2707

#### (100% Firestrike Resources Limited)

Given that the Company continues to hold high grade gold exploration opportunities within Western Australia, further work on these projects is now a focus whilst the Company continues to review other projects and possibilities.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS (CONTINUED)

In conjunction with the ongoing work for Grants Creek, the Angelo Project has suitable targets requiring first phase RAB or Aircore drilling, and this may be possible once all Heritage issues are successfully resolved. Given the renewed interest in the area with the drilling success by Cazalay Resources Limited (ASX:CAZ) at Mt Angelo North and plans by Bulletin Resources Limited (ASX:BNR) to recommence mining at Nicholson's Find, Firestrike is looking to implement a work programme to further evaluate the broad soil anomalies and follow up on the previous drilling which identified gold near surface.

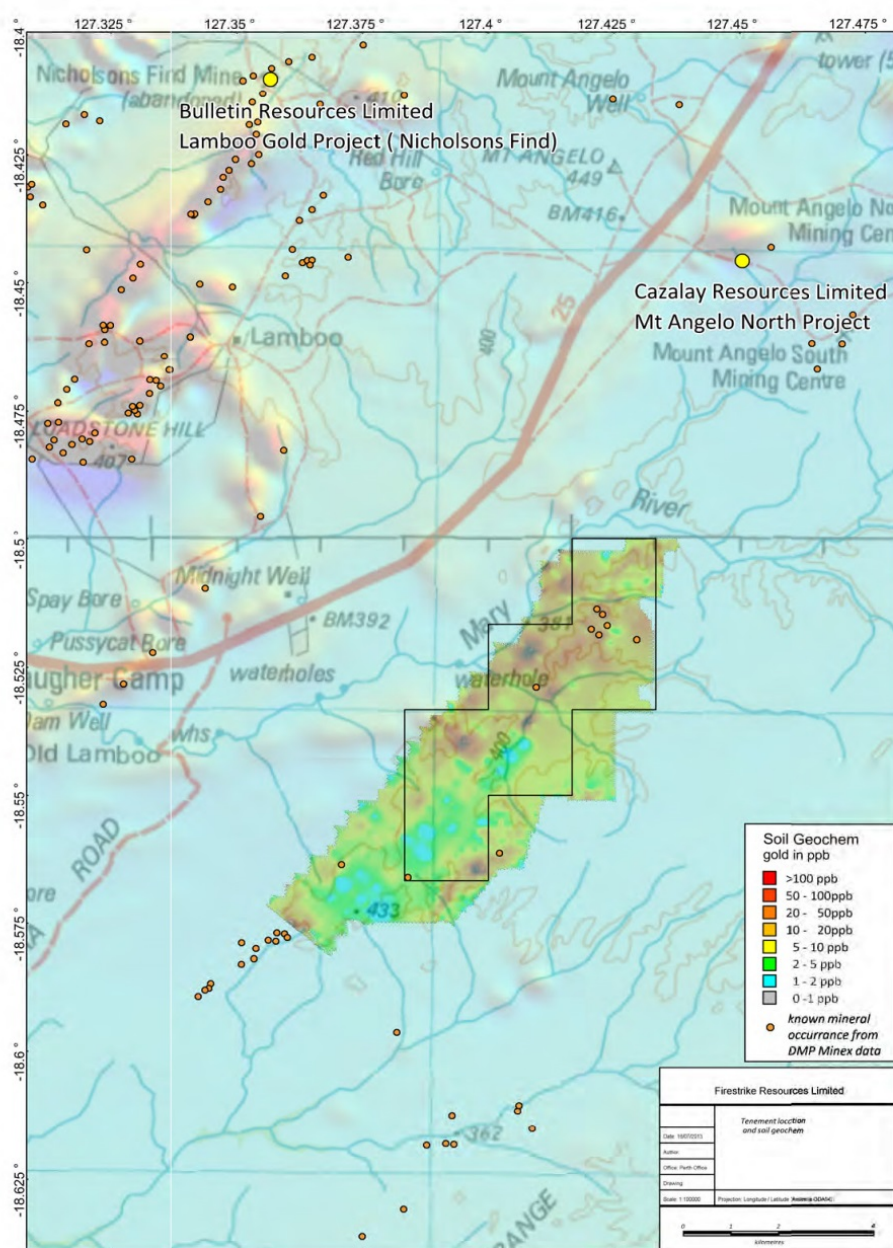


Figure 1. Angelo Project. Contoured soil geochemistry overlain with known historical workings and recently announced projects (ASX:CZY and ASX:BNR)



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS (CONTINUED)

### Grants Creek Project P80/1576, 1577, 1578, 1579, 1580, 1582, 1760

#### (100% Firestrike Resources Limited)

Currently the company is still in the process of completing statutory requirements in preparation for a possible drill programme and is looking with plans to commence drilling once the statutory Heritage requirements are completed.

To advance the exploration, high resolution aeromagnetic data is proposed which will assist in identifying the key structural elements in this structurally controlled shear vein system.

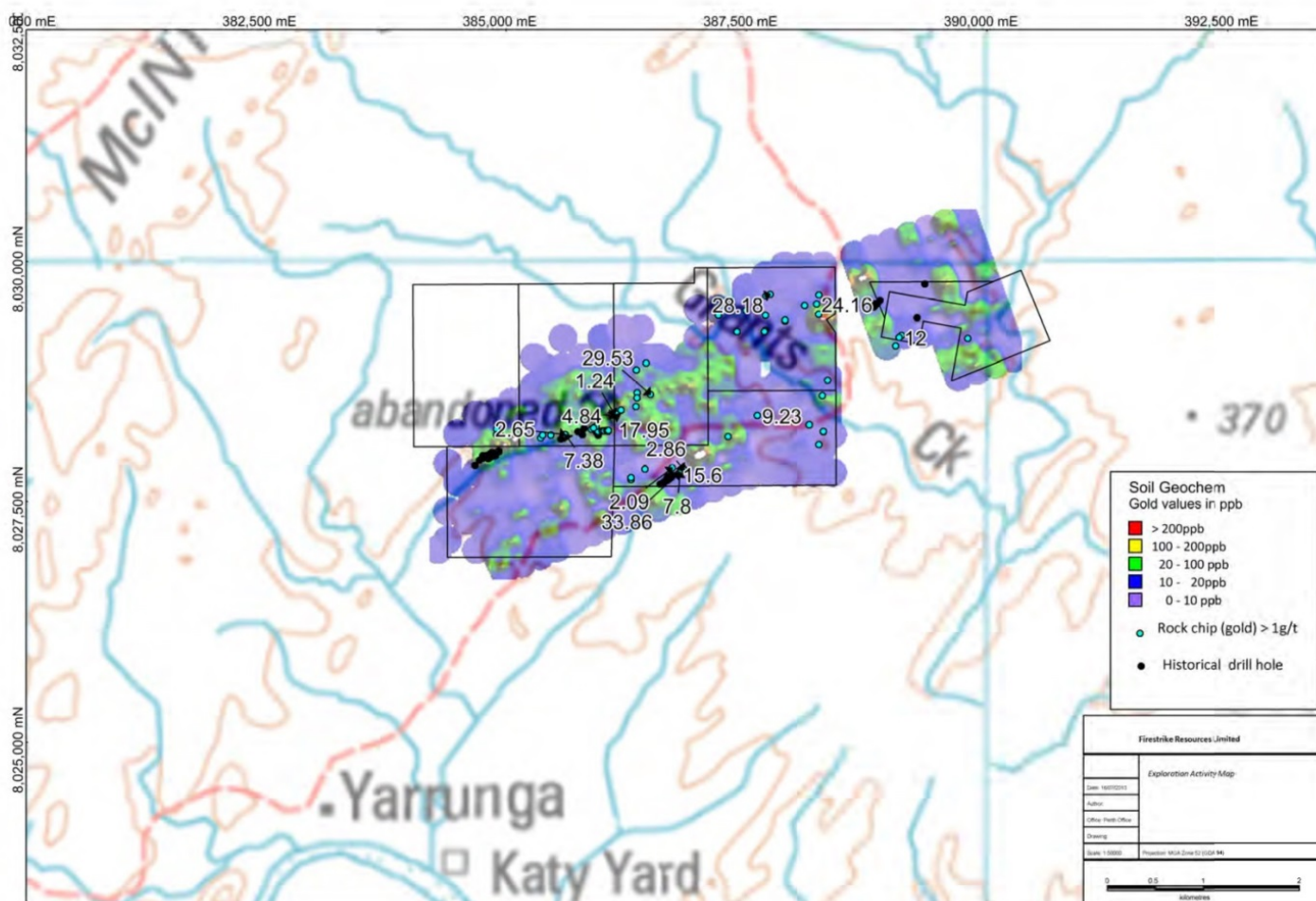


Figure 1. Grants Creek Project. Contoured soil geochemistry overlain with historical rock chip results and drill hole locations (data previously reported in prospectus 2011)

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REVIEW OF OPERATIONS (CONTINUED)

The Directors will continue to evaluate exploration opportunities and funding opportunities that have the ability to significantly grow shareholder wealth in the medium to long term.

#### COMPETENT PERSON'S STATEMENT

The information in the report to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves compiled by Mr D. J. Holden who is the Managing Director of the Company. Mr Holden is a Chartered Professional Member of The Australian Institute of Mining and Metallurgy, with over 25 years' experience in the mining industry. Mr Holden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Holden consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Operating Results

The loss for the year ended 30 June 2013 after income tax expense amounted to \$1,736,142 (2012 year \$559,391).

#### Dividends Paid or Recommended

No dividends were paid or declared for payment.

#### Financial Position

The net assets of the Group at 30 June 2013 are \$1,437,694.

The Directors believe the Company is in a stable financial position to allow it to continue to explore and develop the current exploration properties.

#### Significant Changes in State of Affairs

There were no other significant changes in state of affairs.

#### After Balance Date Events

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods, other than the announcement to the market on 2 July 2013 of the withdrawal from the Elephant Canyon Joint Venture.

#### Environmental Issues

There are no environmental regulations or requirements that the Company is subject to.

The Directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current, nor subsequent, financial year. The Directors will reassess this position as and when the need arises.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Information on Directors

- Roger Steinepreis** – Non-Executive Chairman
- Qualifications – B. Juris, LLB
- Experience – Mr Steinepreis graduated from the University of Western Australia where he completed his law degree. He was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 1987 and has been practising as a lawyer for over 20 years.
- Mr Steinepreis is the legal advisor to a number of public companies on a wide range of corporate related matters. His areas of practice focus on company restructures, initial public offerings and takeovers.
- Interest in Shares and Options – 2,950,000 Ordinary shares
- Directorships held in other listed entities in the last 3 years – In the 3 years immediately before the end of the financial year, Roger Steinepreis served as a director of the following listed companies:
- Firestrike Resources Limited (since 10 March 2011)
  - Adavale Resources Ltd (from 26 May 2006 to 20 December 2012)
  - Imugene Limited (from 29 January 2002 to 1 October 2012)
  - AVZ Minerals Limited (from 1 May 2007)
  - Apollo Consolidated Limited (since 4 August 2009)
  - Digital Performance Group Limited (formerly Comtel Corporation Ltd) (from 9 March 2006 to 24 December 2010)
  - DGI Holdings Limited (from 3 July 2012)
  - PHW Consolidated Limited (from 17 December 2012)
  - Integrated Resources Group Limited (from 5 November 2012)
  - Allied Consolidated Limited (subject to a Deed of Company Arrangement) (October 2012 to February 2013)
  - Eureka Energy Limited (June to August 2012)
- David Holden** – Managing Director
- Qualifications – Mr Holden Holds a Bachelor of Science degree in Geology from Otago University, New Zealand. He also holds a Masters in Business Administration and a Masters in Management giving him a broad base of managerial skills to compliment the years of experience. He is a member of the AusIMM AIG and CIM.
- Experience – His career spans over 25 years in the minerals industry from the coal mines in New Zealand to deep underground gold mines in South Africa. Over his career, David has held a number of senior management roles including Supervising Geologist, Chief Geologist and Technical Director for a number of public companies including Prosperity Resources Ltd (ASX listed) Quadrant Australia (ASX listed), Avonlea Minerals Ltd (ASX listed) and IGC Resources Inc. (TSX listed) (resigned 2009). David was intimately involved in the multi million ounce discoveries of gold at Mt Todd in the Northern Territory and the Nimary Mine in Western Australia.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

In 1997 David founded a geological consulting service company, Ravensgate, which specialises in expert's reports, resource estimations, valuations and exploration management, and in 2005 started Shackleton Capital Pty Ltd, advising listed companies on both corporate and technical matters relating to project acquisition or initial public offering.

In 2007 he founded Atomic Resources Ltd (ASX listed) a solid energy company that is currently developing major coal assets in Tanzania.

- Interest in Shares and Options – 2,585,000 Ordinary shares
- Directorships held in other listed entities in the last 3 years – In the 3 years immediately before the end of the financial year, David Holden served as a director of the following listed companies:  
Intra Energy Corporation Limited (formerly Atomic Resources Limited) (since July 2007 – resigned February 2010).
- Paul Lloyd** – Non Executive Director
- Qualifications – Mr Lloyd is a Chartered Accountant with over 25 years commercial experience.
- Experience – Mr Lloyd operates his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. After commencing his career with an international accounting firm, he was employed for approximately 10 years as the General Manager of Finance for a Western Australian based international drilling contractor working extensively in Asia and Africa.
- Interest in Shares and Options – 2,500,000 Ordinary shares
- Directorships held in other listed entities in the last 3 years – In the 3 years immediately before the end of the financial year, Paul Lloyd served as a director of the following listed companies:  
Beacon Minerals Limited (since 9 May 2006 – resigned 19 March 2012)  
South American Ferro Metals Limited (formerly Riviera Resources Limited) (since 19 June 2008 – resigned 31 May 2012)  
Black Star Petroleum Limited (formerly Sunseeker Minerals Limited) (since 15 November 2010 – resigned 9 August 2012)  
Target Energy Limited (since July 2006 - resigned 31 December 2010)
- Philip Re** – Company Secretary
- Qualifications – Mr Re is a Chartered Accountant, a Chartered Secretary and is a member of the Australian Institute of Company Directors.
- Experience – In recent years Mr Re has been involved as a Director and Company Secretary for a number of public companies involving transactions in the mineral exploration industry. Recently Mr Re was a Director and the Company Secretary for ASX Listed South American Ferro Metals Limited (formerly Riviera Resources), Meridian Minerals Limited, and Transit Holdings Limited. He is currently the Company Secretary for Promesa Limited. Mr Re is one of the founders of the charity organisation "The Better Life Foundation WA", where he currently is the Chairman. Mr Re is a director of Regency Corporate Pty Ltd.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### REMUNERATION REPORT - AUDITED

The information provided in the audited remuneration report includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited.

#### Principles used to determine the nature and amount of remuneration

The Board determines the appropriate nature and amount of remuneration. The Board ensures that the executive reward satisfies the following criteria for good reward governance practice:

- competitiveness and reasonableness;
- acceptability to shareholders;
- alignment of executive remuneration to performance;
- transparency; and
- capital management.

The framework provides a mix of fixed and variable pay.

#### Non-executive Directors and executive Director

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

#### Directors' fees

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum pool limit currently stands at \$300,000 per annum.

#### Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of key management for the Consolidated Group is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Consolidated Group. The contracts for service between the Consolidated Group and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future.

The employment conditions of the managing director, David Holden were formalised in a Consulting agreement with Shackleton Capital Pty Ltd on 18 May 2011. The engagement was for a term of two years and for the amount of \$12,500 per month. The Consultancy Agreement terminated on 18 May 2013 and the Directors are currently in discussions with David Holden in regards to reaching agreement on a new consultancy arrangement.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Key Management Personnel Remuneration

2013

#### Key Management Personnel

	Directors' & consultancy fees	Total	Performance Related
	\$	\$	%
Roger Steinepreis	39,240 <sup>1</sup>	39,240	-
David Holden	189,000 <sup>2</sup>	189,000	-
Paul Lloyd	65,240 <sup>3</sup>	65,240	-
	293,480	293,480	-

2012

#### Key Management Personnel

	Directors' & consultancy fees	Total	Performance Related
	\$	\$	%
Roger Steinepreis	32,700	32,700	-
David Holden	150,000 <sup>2</sup>	150,000	-
Paul Lloyd	56,970	56,970	-
	239,670	239,670	-

1. Consultancy fees were paid to Steinepreis Paganin, a related party of Roger Steinepreis.

2. Consultancy fees were paid to Shackleton Capital Pty Ltd, a related party of David Holden.

3. Consultancy fees were paid to Coral Brook Pty Ltd, a related party of Paul Lloyd.

#### Performance income as a proportion of total remuneration

Executive directors and executives were not paid performance based bonuses.

#### Options issued as part of remuneration for the period ended 30 June 2013

No options were issued to the Directors or executives as part of their remuneration during the year.

END OF REMUNERATION REPORT

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Meetings of Directors

During the financial year, seven meetings of Directors were held. Attendance by each director was as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Roger Steinepreis	7	7
David Holden	7	7
Paul Lloyd	7	7

#### Indemnification and insurance of Directors and Officers

Since the end of the financial year the Consolidated Group has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

The Consolidated Group has paid premiums to insure each of the following current and former Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Consolidated Group, other than conduct involving a wilful breach of duty in relation to the Consolidated Group. The amount of the premium was \$8,000 for all Directors.

#### Options

At the date of this report, there were no options over unissued shares in Firestrike Resources Limited on issue.

On 10 May 2013 the Company announced the cancellation of 9,500,000 options exercisable at 25 cents on or before 31 December 2015 and 9,500,000 options exercisable at 50 cents on or before 31 December 2015.

During the year ended 30 June 2013, no ordinary shares of Firestrike Resources Limited were issued on the exercise of options granted under any Firestrike Resources Limited Employee Option Plan.

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

#### Proceedings on Behalf of the Company

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

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



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' REPORT

#### Future Developments

Other than as referred to in this report, further information as to likely developments in the operations of the Consolidated Group and expected results of those operations would, in the opinion of the Directors, be speculative and prejudicial to the interests of the Consolidated Group and its shareholders.

#### Auditor's Independence Declaration

The Auditor's independence declaration for the year ended 30 June 2013 has been received and can be found on page 25 of the Directors' report.

#### Non-Audit Services

No amounts were paid to the auditor for non-audit services during the year.

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

A handwritten signature in blue ink, appearing to read 'D Holden', is positioned above the name and title of the signatory.

David Holden  
Managing Director

27 September 2013

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

The Board of Directors is responsible for the corporate governance of the Consolidated Group. The Board guides and monitors business activities and affairs of the Consolidated Group on behalf of the shareholders by whom they are elected and to whom they are accountable. The Consolidated Group has adopted systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Consolidated Group's needs. The Corporate Governance Statement has been structured with reference to ASX Corporate Governance Council's ("council") "Principles of Good Corporate Governance and Best Practise Recommendations" to the extent that they are applicable to the Consolidated Group.

Information about the Consolidated Group's corporate governance practises are set out below.

### BOARD OF DIRECTORS

#### Role of the Board

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

To fulfil this role, the Board is responsible for the overall corporate governance of the Consolidated Group including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for directors and senior executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems. It is also responsible for approving and monitoring financial and other reporting.

#### Board Processes

The Board has established a framework for the management of the Consolidated Group including a system of internal control, a business risk management process and appropriate ethical standards.

The full Board schedules meetings, including strategy meetings and any extraordinary meetings, as necessary to address any specific significant matters that may arise. The agenda for meetings is prepared in conjunction with the Chairman and Company Secretaries. Standing items include the management report, financial reports, strategic matters, governance and compliance. Submissions are circulated in advance.

The Company is not currently considered to be of a size, nor is its affairs of such complexity to justify the establishment of separate Board committees, including a Nomination Committee, Remuneration Committee or an Audit Committee. Accordingly, all matters that may be considered by such committees are dealt with by the full Board. Details of the Board's procedures in respect to each of these areas are further outlined within the Corporate Governance Statement below - see Nomination Committee, Remuneration Committee and Audit Committee sections respectively.

#### Director Education

The Consolidated Group has a formal process to educate new directors about the nature of the business, current issues, the corporate strategy and the expectations of the Consolidated Group concerning performance of directors. Directors also have the opportunity to visit Consolidated Group facilities and meet with management

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

to gain a better understanding of business operations. Directors are given access to continuing education opportunities to update and enhance their skills and knowledge.

#### Independent Professional Advice and Access to Company Information

Each Director has the right of access to all relevant Company information and to the Consolidated Group's executives and, subject to prior consultation with the Chairman, may seek independent professional advice from a suitably qualified adviser at the Consolidated Group's expense. The Director must consult with an adviser suitably qualified in the relevant field, and obtain the Chairman's approval of the fee payable for the advice before proceeding with the consultation. A copy of the advice received by the Director is made available to all other members of the Board.

#### Composition of the Board

The names of the Directors of the Company in office at the date of this report are set out in the Directors' Report on page 4.

The composition of the Board is determined using the following principles:

- A minimum of three directors, with a broad range of expertise both nationally and internationally.
- Directors having extensive knowledge of the Consolidated Group's industries, and those which do not, have extensive expertise in significant aspects of auditing and financial reporting, or risk management and financing of public companies.

The roles of Chairman and Managing Director are not to be exercised by the same individual.

Board members have experience in the management of public companies. The Board currently does not have any independent directors as recommended by the ASX Corporate Governance Council.

The Managing Director is David Holden and the Chairman is Roger Steinepreis.

The Consolidated Group has not appointed a Chief Executive Officer. The role will be filled by the Managing Director, and the directors consider that, given the current size and stage of development of the Consolidated Group, the current structure is appropriate for the effective execution of the Board's responsibilities. The directors periodically monitor the need to appoint additional independent directors.

#### Chairman

The Consolidated Group is not currently considered to be of a size, nor is its affairs of such complexity to justify the need for an independent chairman. The chairman has been selected to bring specific skills and industry experience relevant to the Consolidated Group.

### NOMINATION COMMITTEE

The Board considers that a formally constituted Nomination Committee is not appropriate as the Board, as part of its usual role, oversees the appointment and induction process for directors, and the selection, appointment

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

and succession planning process of the Consolidated Group's executive officers. The Board considers the appropriate skill mix, personal qualities, expertise and diversity of each position. When a vacancy exists or there is a need for particular skills, the Board determines the selection criteria based on the skills deemed necessary. The Board identifies potential candidates and may take advice from an external consultant. The Board then appoints the most suitable candidate. Board candidates must stand for election at the next general meeting of shareholders.

The chairman of the Board continually reviews the effectiveness of the Board, individual directors, and senior executives. The other Directors have an opportunity to contribute to the review process. The reviews generate recommendations to the Board, which votes on them. Directors displaying unsatisfactory performance are required to retire.

### REMUNERATION COMMITTEE

The Board considers that a formally constituted Remuneration Committee is not appropriate as the Board, as part of its usual role, oversees the appointment and remuneration of Directors and the Consolidated Group's executive officers. Remuneration levels are competitively set to attract and retain appropriately qualified and experienced directors and senior executives. The Board may seek independent advice on the appropriateness of remuneration packages, given trends in comparative companies both locally and internationally. Remuneration packages include a mix of fixed remuneration, performance-based remuneration, and equity-based remuneration.

The remuneration structures explained below are designed to attract suitably qualified candidates, and to affect the broader outcome of maximising the Consolidated Group's profitability. The remuneration structures take into account:

- Overall level of remuneration for each director and executive;
- The executive's ability to control the performance of the relevant area; and
- The amount of incentives within each executive's remuneration.

Non-executive Directors may receive a base fee and can be remunerated by way of share and option issues approved under a resolution at a general meeting of shareholders.

The Board has no established retirement or redundancy schemes.

### AUDIT COMMITTEE

The Consolidated Group is not currently considered to be of a size, nor is its affairs of such complexity to justify the establishment of a separate Audit Committee. Whilst the Consolidated Group does not have a formally constituted Audit Committee, the Board, as part of its usual role, undertakes audit related responsibilities including:

- Reviewing the annual and interim financial reports and other financial information distributed externally. This includes approving new accounting policies to ensure compliance with Australian Accounting Standards and generally accepted accounting principles, and assessing whether the financial information is adequate for shareholders' needs;
- Assessing corporate risk assessment processes;

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

- Assessing whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. The external auditor provides an annual declaration of independence which is consistent with Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board;
- Addressing any matters outstanding with the auditors, the Australian Taxation Office, the Australian Securities and the Investments Commission, Australian Securities Exchange and financial institutions;
- Reviewing the nomination and performance of the external auditor. The external audit engagement partner will be rotated every five years;
- Assessing the adequacy of the internal control framework and the Consolidated Group's code of ethical standards;
- Monitoring the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements.

The directors review the performance of the external auditors on an annual basis and normally meet with them during the year to:

- Discuss the external audit plans, identify any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial report and to review the fees proposed for the audit work to be performed;
- Review the annual and half-year reports prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings, prior to announcement of the result.

The Board monitors the need to form an Audit Committee on a periodic basis.

### RISK MANAGEMENT

#### Overview of the Risk Management System

The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Consolidated Group's risk profile. This includes assessing, monitoring and managing operational, financial reporting and compliance risks for the Consolidated Group. The Consolidated Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for reporting risk management and associated compliance and controls. Instead, a director, in accordance with Consolidated Group policy, approves all expenditure, is intimately acquainted with all operations and reports all relevant issues to the other Directors at the directors' meetings. The Company Secretary has declared to the Board, that the aforementioned system is working efficiently and effectively. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively. All risk assessments covered the entire part of the financial period that the Consolidated Group operated and the period up to the signing of the annual financial report for all material operations in the Consolidated Group.

#### Risk Profile

The Consolidated Group is not currently considered to be of a size, nor is its affairs of such complexity to justify the establishment of a separate Risk Management Committee. Instead, the Board, as part of its usual role and

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

through direct involvement in the management of the Consolidated Group's operations ensures risks are identified, assessed and appropriately managed. Where necessary, the Board draws on the expertise of appropriate external consultants to assist in dealing with or mitigating risk.

Major risks arise from such matters as actions by competitors, government policy changes, difficulties in sourcing raw materials, the robustness of the technologies being used or proposed to be used, environment, occupational health and safety, financial reporting and the purchase, development and use of information systems.

#### Risk Management, Compliance and Control

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities.

Practices have been established to ensure:

- Capital expenditure and revenue commitments above a certain size obtain prior Board approval;
- Financial exposures are controlled, including the potential use of derivatives;
- Occupational health & safety standards and management systems are monitored and reviewed to achieve high standards of performance and compliance with regulations;
- Business transactions are properly authorised and executed;
- The quality and integrity of personnel (see below);
- Financial reporting accuracy and compliance with the financial reporting regulatory framework (see below); and
- Environmental regulation compliance (see below).

#### Quality and Integrity of Personnel

The Consolidated Group conducts a comprehensive review of the ability and experience of potential employees prior to appointment. Informal appraisals will be conducted regularly with continuous feedback and on the job monitoring and training for all employees. Formal appraisals will be conducted at least annually for all employees. Training and development and appropriate remuneration and incentives with regular performance reviews will create an environment of co-operation and constructive dialogue with employees and senior management.

#### Financial Reporting

The Company Secretary has declared to the Board that the Consolidated Group's financial reports are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

Following the reporting year, monthly actual results are reported against budgets approved by the Directors and revised forecasts for the year are prepared regularly.

#### Environmental Regulation

The Consolidated Group's operations are subject to significant environmental regulation in relation to its operational activities. The Consolidated Group is committed to achieving a high standard of environmental

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

performance. The Board is responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

#### Internal Audit

The Consolidated Group does not have a formally established internal audit function. The Board ensures compliance with the internal controls and risk management procedures previously mentioned.

### ETHICAL STANDARDS

All Directors, managers and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Consolidated Group.

#### Conflict of Interest

Directors must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Consolidated Group. The Board has developed procedures to assist Directors to disclose potential conflicts of interest.

Where the Board believes that a significant conflict exists for a Director on a Board matter, the Director concerned is not present at the meeting whilst the item is considered.

#### Code of conduct

The Consolidated Group has established a Code of Conduct (Code), which aims to develop a consistent understanding of, and approach to, the desired standards of conduct and behaviour of the Directors, officers, employees and contractors (collectively, the employees) in carrying out their roles for the Consolidated Group. Through this Code, the Consolidated Group seeks to encourage and develop a culture of professionalism, honesty and responsibility in order to maintain and enhance our reputation as a valued employer, business operator and "corporate citizen". The Code is designed to broadly outline the ways in which the Consolidated Group wishes to conduct its business. The Code does not cover every possible situation that employees may face, but is intended to provide employees with a guide to taking a common sense approach to any given situation, within an overall framework.

#### Trading in the Consolidated Group's securities by Directors and employees

The Consolidated Group has established a Security Trading Policy that is provided to all Directors and employees on commencement.

The constitution permits Directors to acquire shares in the Company. Consolidated Group policy prohibits Directors from dealing in shares whilst in possession of price sensitive information. Directors must notify the Company Secretary once they have bought or sold shares in the Company or exercised options over ordinary shares.

The Trading Policy also covers a "Block Out Period" of two weeks prior and 24 hours after the release of the following:

1. Consolidated Group's Annual Financial Report
2. Consolidated Group's Interim Financial Report
3. Consolidated Group's Quarterly Report

The full Securities Trading Policy can be viewed on the Company's website.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

In accordance with the provisions of the Corporations Act 2001 and the Listing Rules of the Australian Securities Exchange, the Company on behalf of the Directors must advise the Australian Securities Exchange of any transactions conducted by them in shares and/or options in the Company.

#### Diversity

The Consolidated Group believes that the promotion of diversity on Boards, in senior management and within the organisation generally:

- broadens the pool for recruitment of high quality Directors and employees;
- is likely to support employee retention;
- through the inclusion of different perspectives, is likely to encourage greater innovation; and
- is socially and economically responsible governance practice.

Currently, Firestrike has no females in senior positions. There are no female Directors. Given the present size of the Consolidated Group, there are no plans to establish measurable objectives for achieving further gender diversity at this time. The need for establishing and assessing measurable objectives for achieving gender diversity will be re-assessed as the size of the Consolidated Group increases.

### COMMUNICATION WITH SHAREHOLDERS

The Board has formally documented the Consolidated Group's continuous disclosure procedures and established a Compliance policy. The Board, as part of its usual role, will provide shareholders with information using comprehensive continuous disclosure processes which includes identifying matters that may have a material effect on the price of the Company's securities, notifying them to the ASX and issuing media releases.

In summary, the continuous disclosure processes will operate as follows:

- The Chairman and the Company Secretary are responsible for all communications with the ASX. Matters that may have an effect on the price of the Company's securities are advised to the ASX on the day they are discovered. Senior executives monitor all areas of the Consolidated Group's internal and external environment;
- The full annual financial report is made available to all shareholders, and includes relevant information about the operations of the Consolidated Group during the year, changes in the state of affairs and details of future developments;
- The half-yearly financial report contains summarised financial information and a review of the operations of the Consolidated Group during the period. The half-year reviewed financial report is lodged with the ASX, and sent to any shareholder who requests it;
- Proposed major changes in the Consolidated Group which may impact on share ownership rights are submitted to a vote of shareholders;
- All announcements made to the market, and related information (including information provided to analysts and the media), will be released to the ASX; and
- The external auditor attends the Annual General Meeting to answer any questions concerning the audit and the content of the Auditor's Report.



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CORPORATE GOVERNANCE STATEMENT

The Board encourages full participation of shareholders at the Annual General Meeting, to ensure a high level of accountability and identification with the Consolidated Group's strategy and goals. Important issues are presented to the shareholders as single resolutions.

The shareholders are requested to vote on the appointment and aggregate remuneration of Directors, the granting of options and shares to Directors and changes to the constitution. Copies of the constitution are available to any shareholder on request.

#### Other Information

Further information relating to the Consolidated Group's corporate governance practices and policies are publicly available on the Company's web site at [www.firestrike.com.au](http://www.firestrike.com.au).

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Firestrike Resources Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

This declaration is in respect of Firestrike resources Limited and the entities it controlled during the year.



**Perth, Western Australia  
27 September 2013**

**L Di Giallonardo  
Partner**

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group	
		2013	2012
		\$	\$
Revenue	2	145,981	129,186
Administrative expenses		(262,492)	(227,476)
Impairment of exploration expenditure and project acquisition costs		(1,400,093)	(277,767)
Financial and compliance expenses		(130,947)	(117,970)
Legal expenses		(27,666)	(11,545)
Travel and accommodation expenses		(6,953)	(53,819)
Other expenses		(53,972)	-
Loss before income tax	3	(1,736,142)	(559,391)
Income tax expense	4	-	-
Loss from continuing operations		(1,736,142)	(559,391)
Other comprehensive loss			
<i>Items that may be classified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(108,357)	-
Total comprehensive loss for the year		(1,844,499)	(559,391)
Basic loss per share (cents per share)	7	(5.4)	(1.8)

The accompanying notes form part of the financial report

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	Consolidated Group	
		2013	2012
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	784,591	2,309,254
Trade and other receivables	9	27,011	27,233
<b>TOTAL CURRENT ASSETS</b>		<b>811,602</b>	<b>2,336,487</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation expenditure	10	704,655	1,014,322
Property, plant and equipment		3,778	7,558
<b>TOTAL NON-CURRENT ASSETS</b>		<b>708,433</b>	<b>1,021,880</b>
<b>TOTAL ASSETS</b>		<b>1,520,035</b>	<b>3,358,367</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	82,341	76,174
<b>TOTAL CURRENT LIABILITIES</b>		<b>82,341</b>	<b>76,174</b>
<b>TOTAL LIABILITIES</b>		<b>82,341</b>	<b>76,174</b>
<b>NET ASSETS</b>		<b>1,437,694</b>	<b>3,282,193</b>
<b>EQUITY</b>			
Issued capital	12	3,851,523	3,851,523
Accumulated losses		(2,305,472)	(569,330)
Foreign currency translation reserve		(108,357)	-
<b>TOTAL EQUITY</b>		<b>1,437,694</b>	<b>3,282,193</b>

The accompanying notes form part of the financial report

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

Consolidated Group	Foreign Currency translation reserve	Issued Capital	Accumulated Losses	Total
	\$	\$	\$	\$
Balance 1 July 2011	-	309,500	(9,939)	299,561
Loss for the year	-	-	(559,391)	(559,391)
Total comprehensive income/loss	-	-	(559,391)	(559,391)
Shares issued during the year (net of capital raising costs)	-	3,542,023	-	3,542,023
Balance at 30 June 2012	-	3,851,523	(569,330)	3,282,193
Balance 1 July 2012	-	3,851,523	(569,330)	3,282,193
Loss for the year	-	-	(1,736,142)	(1,736,142)
Other comprehensive loss	(108,357)	-	-	(108,357)
Total comprehensive loss	(108,357)	-	(1,736,142)	(1,844,499)
Balance at 30 June 2013	(108,357)	3,851,523	(2,305,472)	(1,437,694)

The accompanying notes form part of the financial report

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated Group	
		2013	2012
			\$
		\$	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers		(487,331)	(425,747)
Interest received		53,094	131,290
Net cash used in operating activities	15	(434,237)	(294,457)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of office equipment		-	(9,209)
Payment for joint venture		-	(101,000)
Exploration expenditure		(1,090,426)	(331,928)
Net cash used in investing activities		(1,090,426)	(442,137)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		-	63,000
Capital raising costs paid		-	(199,036)
Net cash used in financing activities		-	(136,036)
Net decrease in cash held		(1,524,663)	(872,630)
Cash at beginning of financial year		2,309,254	3,181,884
Cash at end of financial year	8	784,591	2,309,254

The accompanying notes form part of the financial report

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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These general purpose financial statements comprise the financial report and notes of Firestrike Resources Limited, a listed Australian company incorporated and domiciled in Western Australia. The Company was listed on the ASX on 26 July 2011.

##### Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting (AIFRS), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AIFRS ensures that the financial report and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report was authorised for issue on 27 September 2013.

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

##### *Going Concern*

The Consolidated Group has incurred a net loss after tax of \$1,736,142 for the year ended 30 June 2013 (after booking an impairment of \$1,400,093 in relation to exploration expenditure and project acquisition costs). The Consolidated Group experienced cash outflows from operating and investing activities of \$1,524,663 for the year and at balance date had cash assets of \$784,591 and net current assets of \$729,261.

The ability of the Consolidated Group to continue as a going concern is principally dependent upon the management of expenditure and the raising of sufficient additional capital to fund exploration expenditure, other principal activities and working capital. The directors believe that the Consolidated Group will be able to manage its expenditure in the 12 months from the date this financial report is signed, or if required, will be successful in raising sufficient capital in that period such that the Consolidated Group will continue to be a going concern. Should the Consolidated Group not be able to manage its expenditure or raise sufficient capital in that period, there is a material uncertainty that may cast significant doubt on the ability of the Consolidated Group to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

##### a. Income Tax

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

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

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

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

#### b. Financial Instruments

##### Recognition and Initial Measurement

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

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

##### Derecognition

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



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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##### Classification and Subsequent Measurement

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

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

##### ii. Loans and receivables

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

##### iii. Held-to-maturity investments

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

##### iv. Available-for-sale financial assets

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

##### v. Financial Liabilities

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

##### c. Impairment of Assets

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

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

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

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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##### d. Provisions

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

##### e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

##### f. Revenue and Other Income

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

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

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

##### g. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Consolidated Group during the reporting period, which remains unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

##### h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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i. Comparative Figures

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

j. Critical Accounting Estimates and Judgments

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

Key Estimates – Impairment

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

Key Estimates – Income tax

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

Key Judgement – Environmental issues

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

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Firestrike Resources Limited.

l. Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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##### l. Trade and other receivables (continued)

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Consolidated Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Consolidated Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Consolidated Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

##### m. Employee leave benefits

###### Wages, salaries, annual leave and sick leave

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

###### Long service leave

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

##### n. 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 for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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o. Earnings per share

Basic earnings per share is calculated as net profit/loss attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

p. Exploration and evaluation expenditure

Exploration and evaluation expenditure in relation to each separate area of interest is recognised as an exploration and evaluation asset in the year in which it is incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

- (a) the exploration and evaluation expenditure is expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- (b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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p. Exploration and evaluation expenditure (continued)

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

q. Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2013, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Consolidated Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2013. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Consolidated Group accounting policies.

r. Foreign currency translation

Both the functional and presentation currency of Firestrike Resources Limited is Australian dollars. Each entity in the Consolidated Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of Firestrike Resources Incorporated is United States dollars.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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r. Foreign currency translation (continued)

As at the balance date the assets and liabilities of this subsidiary is translated into the presentation currency of Firestrike Resources Limited at the rate of exchange ruling at the balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss.

In addition, in relation to the partial disposal of a subsidiary that does not result in the Consolidated Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

s. Share based payments

The Company has issued shares to third parties for the acquisition of tenements and for entering into joint venture arrangements. The cost of these equity-settled transactions has been measured by reference to the fair value of the equity instruments granted, namely the market value of Firestrike's shares on the dates when agreements were reached to issue those shares.

t. Parent entity financial information

The financial information for the parent entity, Firestrike Resources Limited, disclosed in note 23 has been prepared on the same basis as the consolidated financial statements, except as set out below.

*(i) Investments in subsidiaries, associates and joint venture entities*

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

*(ii) Share-based payments*

The grant by the company of options over its equity instruments to the employees of subsidiary undertakings in the group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 2: REVENUE

	Consolidated Group	
	2013	2012
	\$	\$
Other revenue		
Interest received	51,585	129,186
Foreign exchange gain	94,396	-
Total revenue	145,981	129,186

#### NOTE 3: LOSS FOR THE YEAR

	Consolidated Group	
	2013	2012
	\$	\$
Significant expenses:		
Accounting & secretarial	73,328	66,636
Auditor's remuneration	28,850	28,000
Consultant fees	34,075	21,000
Directors' fees	117,480	71,940
Due Diligence	53,972	-
Exploration expenditure impairment	974,112	277,767
General administrative	31,368	17,000
Legal	27,666	11,545
Promotions & Advertising	17,970	28,171
Rent	61,600	66,909
Share registry fees	6,870	14,449
Travel	6,953	53,819
Write off project acquisition costs	425,981	-



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 4: INCOME TAX EXPENSE

	Consolidated Group	
	2013	2012
	\$	\$
(a) Income tax expense		
Current tax	-	-
Deferred tax	-	-
(b) Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax payable on profit/loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on operating loss at 30%	(520,843)	(167,817)
Add / (Less)		
Tax effect of:		
Other non-allowable items	10,499	6,140
Other non assessable income	(1,370)	(1,823)
Other deductible items	(4,800)	(1,545)
Capitalised exploration expenditure	(211,397)	(304,297)
Unused tax losses not recognised as deferred assets	727,911	469,342
Income tax attributable to operating loss	-	-
Balance of franking account at year end		
(c) Unrecognised deferred tax assets	-	-
Unused Australian tax losses for which no deferred tax asset has been recognised	806,247	498,281

Potential deferred tax assets attributable to tax losses carried forward have not been brought to account at 30 June 2013 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this current point in time. These benefits will only be obtained if:

- i. The Consolidated Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- ii. The Consolidated Group continues to comply with conditions for deductibility imposed by law; and

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 4: INCOME TAX EXPENSE (CONTINUED)

iii. No changes in tax legislation adversely affect the Consolidated Group in realising the benefit from the deductions for the losses.

#### (d) Unrecognised deferred tax liabilities

Deferred tax liabilities have not been recognised in respect of the following items:

	Consolidated Group	
	2013	2012
	\$	\$
Capitalised exploration expenditure	211,397	304,297

#### NOTE 5 : KEY MANAGEMENT PERSONNEL

Names and positions held of Consolidated Group key management personnel (KMP) in office at any time during the financial year are:

#### Key Management Person Position

Roger Steinepreis	Non Executive Chairman
David Holden (*)	Managing Director
Paul Lloyd	Non Executive Director

The total of remuneration paid to KMP of the Consolidated Group during the period are as follows:

	2013	2012
	\$	\$
Short-term employee benefits	293,480	239,670
	293,480	239,670

(\*)The Managing Director's remuneration is outlined in a formal Consultancy Agreement with Shackleton Capital Pty Ltd

#### Number of Options held by Key Management Personnel

	Balance 1.7.2012	Movements 30.6.2013	Total Vested and Exercisable 30.6.2013	Total Unexercisable 30.6.2013
Roger Steinepreis	5,000,000 <sup>1</sup>	(5,000,000) <sup>1</sup>	-	-
David Holden	5,000,000 <sup>1</sup>	(5,000,000) <sup>1</sup>	-	-
Paul Lloyd	5,000,000 <sup>1</sup>	(5,000,000) <sup>1</sup>	-	-
Total	15,000,000	(15,000,000)	-	-

1.Options cancelled during the year.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 5 : KEY MANAGEMENT PERSONNEL (CONTINUED)

##### Number of Shares held by Key Management Personnel

	Balance 1.7.2012	Received as Compensation	Options Exercised	Net Change	Other	Balance 30.6.2013
Roger Steinepreis	2,950,000	-	-	-	-	2,950,000
David Holden	2,510,000	-	-	75,000	-	2,585,000
Paul Lloyd	2,500,000	-	-	-	-	2,500,000
Total	7,960,000	-	-	75,000	-	8,035,000

#### NOTE 6: AUDITOR'S REMUNERATION

	Consolidated Group	
	2013	2012
		\$
Remuneration of the auditor for:		
– auditing or reviewing the financial report	28,850	28,000
– other services	-	-
	28,850	28,000

#### NOTE 7: EARNINGS/LOSS PER SHARE

	Consolidated Group	
	2013	2012
	\$	\$
a. Reconciliation of earnings to profit or loss		
Loss used to calculate basic EPS	(1,736,142)	(559,391)
	No.	No.
b. Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	32,000,000	30,824,658
	32,000,000	30,824,658

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 8: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2013	2012
	\$	\$
Cash at bank and in hand	27,157	128,303
Short-term bank deposits	757,434	2,180,751
Other	-	200
	784,591	2,309,254

The effective interest rate on short-term bank deposits was varying between 3.00% to 4.45%.

#### Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	784,591	2,309,254
	784,591	2,309,254

#### NOTE 9: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2013	2012
	\$	\$
CURRENT		
Interest receivable	4,567	6,075
GST receivable	14,692	13,184
Other debtors	-	6,495
Prepaid insurance	7,752	1,479
	27,011	27,233

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated Group	
	2013	2012
	\$	\$
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at 1 July	1,014,322	91,686
Exploration expenditure	1,090,426	1,200,403
Impairment of project acquisition costs(i)	(425,981)	-
Impairment of exploration expenditure(i)	(974,112)	(277,767)
	704,655	1,014,322

(i) Impairments have resulted from the Directors' decision to withdraw from the Elephant Canyon Joint Venture. The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploration or sale of the respective areas.

#### NOTE 11: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2013	2012
	\$	\$
CURRENT		
Trade payables*	47,346	56,904
Sundry payables and accrued expenses	34,995	19,270
	82,341	76,174

\*Terms of trade are in line with normal commercial terms (usually 30 to 60 days)

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 12: ISSUED CAPITAL

	Consolidated Group	
	2013	2012
	\$	\$
Opening balance	3,851,523	-
12,500,000 fully paid ordinary shares	-	309,500
15,500,000 fully paid ordinary shares – IPO capital raising	-	3,100,000
4,000,000 fully paid ordinary shares – tenement and joint venture acquisitions	-	710,000
Capital raising costs	-	(267,977)
At reporting date	3,851,523	3,851,523

The Company has issued share capital amounting to 32,000,000 ordinary shares of no par value.

	Consolidated Group	
	2013	2012
	No.	No.
Ordinary shares		
At the beginning of reporting period	32,000,000	12,500,000
Fully paid shares issued during the period		
– 5 July 2011 (issued at \$0.20 to acquire tenements)	-	2,000,000
– 5 July 2011 (issued at \$0.20 to acquire tenements)	-	1,000,000
– 5 July 2011 (issued at \$0.20 pursuant to IPO)	-	15,500,000
– 20 June 2012 (issued at \$0.11 to acquire interest in JV)	-	1,000,000
At reporting date	32,000,000	32,000,000

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

	Consolidated Group	
	2013	2012
	No.	No.
Options		
At the beginning of reporting period	19,000,000	19,000,000
Options over ordinary shares cancelled during the period	(19,000,000)	-
At reporting date	-	19,000,000

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 12: ISSUED CAPITAL (CONTINUED)

##### Capital risk management

The Consolidated Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Consolidated Group's activities, being mineral exploration, the Consolidated Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Consolidated Group's capital risk management is the current working capital position against the requirements of the Consolidated Group to meet exploration programmes and corporate overheads. The Consolidated Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Consolidated Group at 30 June 2013 is as follows:

	Consolidated Group	
	2013	2012
	\$	\$
Cash and cash equivalents	784,591	2,309,254
Trade and other receivables	27,011	27,233
Trade and other payables and other liabilities	(82,341)	(76,174)
Working capital position	729,261	2,260,313

#### NOTE 13: CASH FLOW INFORMATION

Loss after income tax	(1,736,142)	(559,391)
Cash flows excluded from loss attributable to operating activities		
Non cash items		
- Depreciation	3,780	1,651
- Other	-	17,000
- Foreign exchange translation	(108,357)	-
- Exploration expenditure impairment	974,112	277,767
- Write off project acquisition costs	425,981	-
Changes in assets and liabilities		
- Increase/(decrease) in debtor and income accrual	1,509	2,104
- Increase/(decrease) in trade payables and accruals	6,167	(24,464)
- (Increase)/decrease in trade receivables and prepayments	(1,287)	(9,124)
Cash flows used in operating activities	(434,237)	(294,457)
Non-cash financing and investing activities:		
Issue of shares to acquire tenements and interest in joint venture	-	710,000

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 14: RELATED PARTY TRANSACTIONS

	Consolidated Group	
	2013	2012
	\$	\$
Transactions with related parties:		
Legal fees paid to Steinepreis Paganin, a legal firm in which Roger Steinepreis has an interest	27,666	21,788
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.		

#### NOTE 15: INTEREST IN CONTROLLED ENTITY

The parent had the following controlled entity:			% Held	
Name of the subsidiary	Place of incorporation	Class of shares	2013	2012
Firestrike Resources Incorporated	USA	Ordinary	100%	100%

The controlled entity was incorporated in 2012 with a nominal share capital of US\$10.

#### NOTE 16: JOINT VENTURE

During 2013, a controlled entity, Firestrike Resources Incorporated, had a 51% interest in the Firestar LLC Joint Venture, whose principal activity is exploring for gold and base minerals in Utah, USA. The Joint Venture Operating Agreement was signed on 28 May 2012 with an initial capital contribution from Firestrike Resources Incorporated of US\$100,000 and the issue of 1 million ordinary shares in Firestrike Resources Limited. The fair value of the shares at the date of the agreement was \$0.11 each.

Initial capital contribution:	No. of shares	\$
Cash	-	101,000
Shares (1 million shares at \$0.11)	1,000,000	110,000
Fair value of initial capital contribution	-	211,000

A first phase drilling program was completed during the year. After evaluation of the drilling results and additional exploration activities, a decision was made by the Directors to formally withdraw from the Elephant Canyon Joint Venture and that decision was communicated to shareholders on 2 July 2013.



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 17: OPERATING SEGMENTS

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##### Segment Information

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

The Group is managed primarily on the basis of mining exploration and treasury activities. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

##### Types of reportable segments

###### 1) Tenement exploration and evaluation

The exploration of current projects and the evaluation of new ones are reported in this segment. Segment assets, including acquisition costs of exploration licences and all expenses related to the tenements are reported in this segment.

###### 2) Treasury

The reporting relating to income from cash holdings is reported in this segment.

##### Basis of accounting for purposes of reporting by operating segments

##### Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief operating decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

##### Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

##### Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 17: OPERATING SEGMENTS (CONTINUED)

##### Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments, as they are not considered part of the core operations of any segment:

- net gains on disposal of available-for-sale investments;
- impairment of assets excluding exploration assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- trade payable and other payables;
- intangible assets.

##### (i) Segment performance

###### Year ended 30 June 2013

	Exploration and Evaluation	Treasury	Total
	\$	\$	\$
Interest revenue	-	51,585	51,585
Total segment revenue	-	51,585	51,585
Segment net profit/(loss) before tax	(1,454,065)	51,585	(1,402,480)

##### Reconciliation of segment result to group net profit ( loss) before tax:

Foreign exchange gain			94,396
Administration expenses			(262,492)
Financial administration and compliance expenses			(130,947)
Legal expenses			(27,666)
Travel and accommodation expenses			(6,953)
Group loss before tax			(1,736,142)

###### Year ended 30 June 2012

	Exploration and Evaluation	Treasury	Total
	\$	\$	\$
Interest revenue	-	129,186	129,186
Total segment revenue	-	129,186	129,186
Segment net profit/(loss) before tax	(277,767)	129,186	(148,581)

##### Reconciliation of segment result to group net profit ( loss) before tax:

Administration expenses			(227,476)
Financial administration and compliance expenses			(117,970)
Legal expenses			(11,545)
Travel and accommodation expenses			(53,819)
Group loss before tax			(559,391)

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 17: OPERATING SEGMENTS (CONTINUED)

##### (ii) Segment assets

30 June 2013

	Exploration and Evaluation \$	Treasury \$	Total \$
Segments assets	704,655	811,602	1,516,257
Reconciliation of segment assets to group assets:			
Property, plant & equipment	-	-	3,778
Total group assets from continuing operations	-	-	1,520,035

30 June 2012

	Exploration and Evaluation \$	Treasury \$	Total \$
Segments assets	1,014,322	2,336,487	3,350,809
Reconciliation of segment assets to group assets:			
Property, plant & equipment	-	-	7,558
Total group assets from continuing operations	-	-	3,358,367

##### (iii) Segment liabilities

30 June 2013

	Exploration and Evaluation \$	Treasury \$	Total \$
Segments liabilities	-	-	-
Trade and other payables	-	-	82,341
Total group liabilities from continuing operations	-	-	82,341

30 June 2012

	Exploration and Evaluation \$	Treasury \$	Total \$
Segments liabilities	-	-	-
Trade and other payables	-	-	76,174
Total group liabilities from continuing operations	-	-	76,174

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 17: OPERATING SEGMENTS (CONTINUED)

##### (iv) Revenue by geographical region

Revenue attributable to external customers is disclosed below, based on the location of the external customer:

	30 June 2013	30 June 2012
	\$	\$
Australia	51,584	129,186
United States of America	1	-
Total revenue	51,585	129,186

##### (v) Assets by geographical region

The location of segment assets is disclosed below by geographical location of the assets:

	30 June 2013	30 June 2012
	\$	\$
Australia	1,514,373	3,147,132
United States of America	5,662	211,235
Total assets	1,520,035	3,358,367

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 18: COMMITMENTS

Grants Creek Project (P80/1576, P80/1577, P80/1578, P80/1579, P80/1580, P80/1582, P80/1673)		
	2013	2012
	\$	\$
Rent payable		
- not later than 12 months	2,711	2,636
- between 12 months and 5 years	5,469	7,380
	8,180	10,016
Program of work expenditure	2013	2012
	\$	\$
- not later than 12 months	48,360	47,610
- between 12 months and 5 years	98,720	131,192
	147,080	178,802
Angelo Project (E80/2707)		
	2013	2012
	\$	\$
Rent payable		
- not later than 12 months	2,853	1,632
- between 12 months and 5 years	2,853	-
	5,706	1,632
Program of work expenditure	2013	2012
	\$	\$
- not later than 12 months	70,000	70,000
- between 12 months and 5 years	70,000	70,000
	140,000	140,000

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 19: CONTINGENCIES

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There are no contingent assets or liabilities as at balance date.

#### NOTE 20: SHARE BASED PAYMENTS

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There were no share based payments during the year.

#### NOTE 21: FINANCIAL RISK MANAGEMENT

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##### a. Financial Risk Management Policies

The Consolidated Group's financial instruments consist mainly of deposits with banks.

The main purpose of non-derivative financial instruments is to raise finance for Consolidated Group operations.

The Consolidated Group does not speculate in the trading of derivative instruments.

##### i. Treasury Risk Management

The Board meets on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The Board's overall risk management strategy seeks to assist the Consolidated Group in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board on a regular basis.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 21: FINANCIAL RISK MANAGEMENT (CONTINUED)

##### ii. Financial Risk Exposures and Management

###### Interest rate risk

The Consolidated Group exposure to financial risk is limited to interest rate risk arising from assets and liabilities bearing variable interest rates. The weighted average interest rate on cash holdings is 3.95% at 30 June 2013. All other assets and liabilities are non interest bearing.

The Consolidated Group holds cash deposits with Australian banking financial institutions, namely the ANZ Bank. The ANZ Bank has an AA rating with Standard & Poors.

###### Liquidity risk

Liquidity risk arises from the possibility that the Consolidated Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Consolidated Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Consolidated Group. Due to the nature of the Consolidated Group's activities, being mineral exploration, the Consolidated Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitors the state of equity markets in conjunction with the Consolidated Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. The financial liabilities of the Consolidated Group are confined to trade and other payables as disclosed in the Statement of Financial Position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date. The Board manages liquidity risk by monitoring forecast cash flows against actual liquidity level on a regular basis

There are no unused borrowing facilities from any financial institution.

###### Credit risk

There no material amounts of collateral held as security at balance date.

Credit risk is reviewed regularly by the Board. It arises through deposits with financial institutions.

The Board monitors credit risk by actively assessing the rating quality and liquidity of counter parties. Only banks and financial institutions with an 'A' rating are utilised.

The Consolidated Group only invests in listed available-for-sale financial assets that have a minimum 'A' credit rating. Unlisted available-for-sale financial assets are not rated by external credit agencies. These are reviewed regularly by the Consolidated Group to ensure that credit exposure is minimised.

The credit risk for counterparties included in trade and other receivables at balance date is nil.

The Consolidated Group holds cash deposits with Australian banking financial institutions, namely the ANZ Bank. The ANZ Bank has an AA rating with Standard & Poors.

###### Price risk

The Consolidated Group is not exposed to commodity price risk as it is still operating at the exploration level.

##### b. Financial Instruments

###### i. Derivative Financial Instruments

Derivative financial instruments are not used by the Consolidated Group.

The Consolidated Group does not enter into swap contracts.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 21: FINANCIAL RISK MANAGEMENT (CONTINUED)

ii. Financial instrument composition and maturity analysis:

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity. The financial instruments are all classified as current.

	Weighted Average Effective Interest Rate		Floating Interest Rate	
	2013 %	2012 %	2013 \$	2012 \$
Financial Assets:				
Cash and cash equivalents	3.95	4.03	784,591	2,309,254
Total Financial Assets			784,591	2,309,254
Financial Liabilities:				
Trade payables	-	-	82,341	76,174
Total Financial Liabilities			82,341	76,174

iii. Net Fair Values

The net fair values of all financial assets and financial liabilities approximate their carrying value.

#### NOTE 22: EVENTS AFTER THE REPORTING PERIOD

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods.

#### NOTE 23: PARENT ENTITY DISCLOSURES

Financial position	2013 \$	2012 \$
Assets		
Current assets	805,940	2,336,487
Non-current assets	728,117	1,021,880
Total assets	1,534,057	3,358,367
Liabilities		
Current liabilities	82,341	76,174
Total liabilities	82,341	76,174



# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2013

#### NOTE 23: PARENT ENTITY DISCLOSURES (CONTINUED)

	2013	2012
	\$	\$
Equity		
Issued Capital	3,851,523	3,851,523
Accumulated losses	(2,399,807)	(569,330)
Total equity	1,451,716	3,282,193

Financial performance	2013	2012
	\$	\$
Loss for the year	(1,830,477)	(559,391)
Total comprehensive loss	(1,830,477)	(559,391)

For details on commitments, see Note 18.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### DIRECTORS' DECLARATION

The Directors of Firestrike Resources Limited declare that:

1. The financial report and notes, as set out on pages 26-56 are in accordance with the Corporations Act 2001 and:
  - a. comply with Accounting Standards and the Corporations Regulations 2001;
  - b. are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1 to the financial report; and
  - c. give a true and fair view of the Consolidated Group's financial position as at 30 June 2013 and of its performance for the year ended on that date;
2. The Chief Executive Officer and Chief Finance Officer have each declared that:
  - a. the financial records of the Consolidated Group for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  - b. the financial report and notes for the financial year comply with the Accounting Standards; and
  - c. the financial report and notes for the financial year give a true and fair view;
3. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director:



David Holden

Managing Director

27 September 2013

## INDEPENDENT AUDITOR'S REPORT

To the members of Firestrike Resources Limited

### Report on the Financial Report

We have audited the accompanying financial report of Firestrike Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

#### ***Directors' responsibility for the financial report***

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

#### ***Auditor's responsibility***

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

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

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

#### ***Independence***

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**Auditor's opinion**

In our opinion:

- (a) the financial report of Firestrike Resources Limited is in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 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.

**Emphasis of matter**

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the ability of the Consolidated Group to continue as a going concern is principally dependent upon the management of expenditure and the raising of sufficient additional capital to fund exploration expenditure, other principal activities and working capital. Should the Consolidated Group not be able to manage its expenditure or raise sufficient additional capital in that period, there is a material uncertainty that may cast significant doubt on the ability of the Consolidated Group to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

**Report on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

**Auditor's opinion**

In our opinion the remuneration report of Firestrike Resources Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.



**HLB Mann Judd**  
**Chartered Accountants**



**L Di Giallonardo**  
**Partner**

**Perth, Western Australia**  
**27 September 2013**

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### ADDITIONAL INFORMATION FOR LISTED COMPANIES

#### 1. Shareholding as at 26 September 2013

a. Distribution of Shareholders Category (size of holding)	Number	Number
	Holders	Ordinary
1 - 1,000	4	1,735
1,001 - 5,000	5	17,147
5,001 - 10,000	86	852,767
10,001 - 100,000	276	9,944,575
100,001 - 3,000,000	55	21,183,776
	<hr/>	<hr/>
	426	32,000,000

b. The number of shareholdings held in less than marketable parcels is 283.

c. The names of the substantial shareholders listed in the holding Consolidated Group's register as at 26 September 2013 are:

Shareholder	Number	
	Ordinary	%
1 Ranchland Holdings Pty Ltd	2,950,000	9.52
2 Shackleton Capital Pty Ltd	2,500,000	7.81
3 Coral Brook Pty Ltd	2,500,000	7.81
4 Pacrim Energy Pty Ltd	2,000,000	6.25

#### d. Voting Rights

The voting rights attached to each class of equity security are as follows:

##### Ordinary shares

- Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### ADDITIONAL INFORMATION FOR LISTED COMPANIES (CONTINUED)

e. 20 Largest Shareholders – Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	Coral Brook Pty Ltd <Lloyd Super Fund>	2,500,000	7.81
2	Shackleton Capital Pty Ltd <The Shackleton Capital A/C>	2,500,000	7.81
3	Ranchland Holdings Pty Ltd	2,500,000	7.81
4	Pacrim Energy Ltd	2,000,000	6.25
5	Peter Tsegas	990,000	3.09
6	Minico Pty Ltd	900,000	2.81
7	Prospero Capital Pty Ltd <Prospero Growth Fund A/C>	681,667	2.13
8	ACNS Capital Markets Pty Ltd <ACNS Unit A/C>	450,000	1.41
9	Mr Peter Hamilton Hayes & Ms Megan Jane Armitage <The Hayes Family S/Fund>	432,660	1.35
10	Mrs Amanda Lee Ellen	425,000	1.33
11	STS Capital Partners International Inc.	375,000	1.17
12	Escalante Mines Inc.	340,299	1.06
13	Shane Hoemock & Sandra Wee <The Wee Superfund A/C>	266,670	0.83
14	Raven Investments Holdings Pty Ltd <Raven Investments A/C>	266,670	0.83
15	Sunset Holdings WA Pty Ltd <Sunset Holdings SF A/C>	250,000	0.78
16	Fountain Drive Pty Ltd	250,000	0.78
17	Sunset Holdings WA Pty Ltd <Sunset Holdings SF A/C>	250,000	0.78
18	BSJS Pty Ltd <Scaffidi Family A/C>	250,000	0.78
19	Ms Megan Jane Armitage <Megan Armitage Family A/C>	245,000	0.77
20	Epigene Pty Ltd	219,105	0.69
		16,092,071	50.27

# FIRESTRIKE RESOURCES LIMITED

## ANNUAL REPORT 2013

### ADDITIONAL INFORMATION FOR LISTED COMPANIES (CONTINUED)

2. The names of the Company Secretaries are Mr Paul Lloyd and Mr Philip Re.
3. The address of the principal registered office in Australia is:  
C/- Regency Corporate Pty Ltd  
Suite 1, GF, 437 Roberts Road  
SUBIACO WA 6008  
Telephone 08 6380 2555
4. Registers of securities are held at the following addresses:  
Advance Share Registry  
Unit 2 150 Stirling Hwy  
NEDLANDS  
WA 6009  
Australia
5. Securities Exchange Listing  
Quotation has been granted for all the ordinary shares of the Consolidated Group on all Member Exchanges of the Australian Securities Exchange Limited.
6. Exploration Permit for Minerals – Grant Creek Gold Project and Angelo Gold Project in the Kimberley region of Western Australia

Permit number	Location	Mineral	Ownership
P80/1576	Western Australia	Gold	100 % FIE
P80/1577	Western Australia	Gold	100 % FIE
P80/1578	Western Australia	Gold	100 % FIE
P80/1579	Western Australia	Gold	100 % FIE
P80/1580	Western Australia	Gold	100 % FIE
P80/1582	Western Australia	Gold	100 % FIE
P80/1760	Western Australia	Gold	100 % FIE
E80/2707	Western Australia	Gold	100 % FIE
7. In accordance with ASX Listing Rule 4.10.19, the Consolidated Group advises that, since listing on 26 July 2011, it has used its cash in a way consistent with its business objectives.