MATRIX METALS

LIMITED

ABN 42 082 593 235

ANNUAL REPORT

30 JUNE 2013

CORPORATE DIRECTORY

Directors Joe Ariti (Executive Director) – resigned 26 July 2013 Jason Bontempo (Non-Executive Director, Executive Director from 26 July 2013) Antony Sage (Non-Executive Director) Jeff Hamilton (Non-Executive Director) – appointed 26 July 2013 **Company Secretary** Claire Tolcon	**Registered Office** 32 Harrogate Street West Leederville WA 6007 Telephone: (08) 9380 9555 Facsimile: (08) 9380 9666
Share Registry Advanced Share Registry Services 150 Stirling Highway Nedlands Western Australia 6009 Telephone: (08) 9389 8033 Facsimile: (08) 93897871	**Auditors** Stantons International Level 2, 1 Walker Avenue West Perth Western Australia 6005
Stock Exchange Listing The Company's shares are on the official list of the Australian Securities Exchange ASX Code – MRX	**Website** www.matrixmetals.com.au

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DIRECTORS' REPORT

The directors present their report together with the financial report of Matrix Metals Limited ("Matrix" or the "Company") for the financial year ended 30 June 2013 and the auditor's report thereon.

DIRECTORS
The names, qualifications and independence status of the directors of the Company holding office at any time during or since the end of the financial year are:

Mr Joe Ariti B.Sc, Dip Min. Sci. (Murdoch), MBA (Edinburgh), MAusIMM, MAICD - resigned 26 July 2013
Executive Director
Mr Ariti is a mining industry executive with more than 25 years experience in technical, management and executive roles in assessing, developing, financing and managing mining projects and companies in Australia and overseas. He has been involved in the development and management of both open cut and underground mining projects in Australia, Africa, Indonesia and Papua New Guinea.

Other Current Listed Directorships
Non-Executive Director of:
Energio Limited (since April 2012)

Previous Listed Directorships in the last three years
Non-Executive Director of:
DMC Mining Ltd[1] (from August 2009)
African Iron Limited[2] (from January 2011 to June 2012)
Azumah Resources Ltd (from September 2007 to October 2009)
Swick Mining Services Limited (from February 2008 to February 2012)
Territory Resources Limited[3] (from August 2008 to July 2011)

Interest in shares and options of the company as at date of signing this report
Shares: 8,000,000
Options: 10,000,000

Mr Jason Bontempo B. Business, ACA
Non-Executive Director, Executive Director from 26 July 2013
Mr Bontempo has worked in investment banking and corporate advisory after qualifying as a chartered accountant with Ernst & Young in 1997.

Other Current Listed Directorships
Executive Director of:
Glory Resources Limited (since June 2010)

Non-Executive Director of:
Red Emperor Resources NL (since February 2011)
Orca Energy Limited (since July 2011)

Previous Listed Directorships in the last three years
Executive Director of:
International Goldfields Ltd (from April 2008 to December 2011)

Non-Executive Director of:
Stirling Minerals Limited[2] (from May 2007 to January 2011)
Kupang Resources Ltd (from August 2010 to March 2012)

Interest in shares and options of the Company as at date of signing this report
Shares: 40,000,000
Options: 9,500,000

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[1] Delisted from ASX in September 2010
[2] Delisted from ASX in March 2012
[3] Delisted from ASX in August 2011

DIRECTORS' REPORT

Mr Antony Sage B.Com, FCPA, CA, FTIA
Non-Executive Director
Mr Sage has in excess of 25 years' experience in the fields of corporate advisory services, funds management, capital raising and management of several mining/exploration companies. Mr Sage is based in Western Australia and was formerly a successful funds manager with Growth Equities Mutual for a period of 13 years. During the last 15 years he has been involved in the management and financing of several listed exploration and mining companies.

Other Current Listed Directorships
Executive Chairman of:
Cape Lambert Resources Ltd (since December 2000)
Cauldron Energy Ltd (since June 2009)
Non-Executive Chairman of:
Fe Ltd (since August 2009)
Global Strategic Metals NL (since June 2012)
Non-Executive Director of:
Kupang Resources Limited (since September 2010)

Previous Listed Directorships in the last three years
Non-Executive Chairman of:
International Goldfields Ltd (since February 2009 to May 2013)
NSX listed International Petroleum Ltd (since January 2006 to June 2013)
Non-Executive Director of:
NSX listed African Petroleum Corporation Ltd (since October 2007 to June 2013)
African Iron Limited[1] (January 2011 to March 2012)

Interest in shares and options of the Company as at date of signing this report
Shares: 60,000,000
Options: 10,000,000

[1] Delisted from ASX in March 2012

Mr Jeff Hamilton B.Eng. (Mech Eng)

Non-Executive Director
Mr Hamilton is a mechanical engineer with approximately 30 years' experience in construction and mine development in Australia and various countries around the world.

Other Current Listed Directorships
N/A

Previous Listed Directorships in the last three years
N/A

Interest in shares and options of the Company as at date of signing this report
Shares: 2,862,614
Options: Nil

DIRECTORS' MEETINGS

No directors' meetings were held during the financial year.

INCOMPLETE RECORDS

The management and affairs of the Company was under the control of a Receiver and Manager and an Administrator from November 2008 until the Company was released from external administration on 12 December 2011, and has been under the control of the Company's directors since that date.

This financial report was prepared by directors who were not in office at the time the Company entered voluntary administration.

To prepare this financial report, the directors have reconstructed the financial records of the Company using:

- data extracted from the Company's accounting system for the period 1 July 2008 to the point the Company entered administration;
- the record of receipts and payments made available by the Administrator for the period from their appointment on 11 November 2008 to 12 December 2011 (the date on which the Deed of Company Arrangement was effectuated); and
- the record of receipts and payments made available by the Receivers and Managers for the period from their appointment on 14 November 2008 to 27 October 2011 (the date on which the Receiver and Manager retired).

It has not been possible for the directors to obtain all the books and records:

- of the Company for the period prior to the appointment of the Administrator and Receivers and Managers;
- maintained by the Administrator since their appointment on 11 November 2008; and
- maintained by the Receivers and Managers since their appointment on 14 November 2008.

Consequently, the directors have prepared the financial information for the periods presented in this financial report to the best of their knowledge based on the information made available to them up to the date of retirement of the Receiver and Manager (27 October 2011), and effectuation of the Deed of Company Arrangement (12 December 2011).

Given that the directors were not in control of the management and affairs of the Company until 12 December 2011, they are of the opinion that it is not possible to state that the financial information has been prepared in accordance with Australian Accounting Standards including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001

PRINCIPAL ACTIVITIES

The principal activity of the Company is mineral exploration in Australia.

RESULT

The result after income tax for the financial year was a loss of $159,764 (2012: profit of $56,390,324).

REVIEW OF OPERATIONS

Matrix Metals Limited ("Matrix" or the "Company") is an ASX listed exploration company based in Perth, Western Australia. The objective of the Company is to initially focus on the evaluation and exploration of its 100% owned Wee MacGregor Project, located in Queensland, whilst actively pursuing new business opportunities in the mineral and energy sectors.

Wee MacGregor Copper Project ("Wee MacGregor Project" or "Project")

The Wee MacGregor Project is located approximately 30km southeast of Mt Isa in Queensland. The Project comprises five granted Exploration Permits for Minerals ("EPMs") covering an area of 209km^2 and one EPM application covering an area of approximately 19.2km2 (Figure 1).

The Wee MacGregor tenements are located within the Eastern Fold Belt of the Mt Isa Inlier. The eastern most tenements are located in the Mary Kathleen Zone/Wonga Subprovince. The western group of tenements are located in the Kalkadoon Leichhardt Belt. The Wee MacGregor tenements are considered mature Greenfields or Brownfields exploration acreage prospective for copper/gold and cobalt mineralisation. The Company has commenced an initial exploration program with the objective of determining the potential for standalone and/or satellite oxide and sulphide copper-gold deposits. Several copper occurrences and minor workings occur within the tenement boundaries.

Technical work throughout the year included geological mapping, geophysical interpretation, geochemical soil and rock chip sampling. Encouraging results have been outlined below for each respective prospect and proposals to test targets with shallow reverse circulation (RC) drilling have been prepared for late 2013 to early 2014.

Inkerman-Princess Prospects

The Inkerman prospect is located on EPM17907 and flanks the old Inkerman workings located on a small Mining Claim in the north (not held by the Company). Soil geochemical sampling[1] has defined a north trending coincident copper, cobalt and gold anomalous zone approximately 1,200m long (Figure 2). The selective rock chip samples from old workings and outcrops in the Inkerman area have returned grades of 7.0% to 11.9% Cu and 0.l9g to 0.32g Au/t.[2]

Rosebud Prospect

The Rosebud prospect is located on EPM17449 and surrounds historic Rosebud workings located on a small Mining Lease in the north (not held by the Company). The most significant and continuous copper-in-soil anomaly[1] extends from the historic Rosebud and Rosebud Extended workings (Figure 3). The anomaly trends north- northeast for approximately 800m and is associated with the contact between the Ballara and Argylla formations. The soil anomaly is coincident with an elongate airborne magnetic anomaly. Secondary copper minerals including malachite and azurite associated with magnetite alteration were observed in outcrops along the trend. Copper mineralisation at the Rosebud workings is located in a zone of quartz veining up to 7m thick hosted in biotite schist.

Copper Cone Prospect

The Copper Cone prospect is located on EPM17449 and is hosted in a tightly folded sequence of the Ballara quartzite (Figure 1). The soil geochemical sampling[1] program defined a coincident copper and cobalt anomaly approximately 400m long. This geochemical anomaly is broadly coincident with ground geophysical induced polarisation ("IP") and electromagnetic ("EM") anomalies defined by a previous explorer in the late 1970's. These coincident geochemical and geophysical anomalies have not been drill tested.

[1] Soil Sample traverses predominantly orientated perpendicular to localised lithological strike, samples characterised by <0.177mm size fraction. Samples analysed at ALS Laboratories, Townsville with methods Au-TLS and ME 1CP43 for other elements. Locations by hand-held GPS.
[2] Nominal sample weight 0.5-1 kg. Samples analysed at ALS Laboratories, Townsville with methods Au-TLS and ME 1CP43 for the other elements. Locations by hand-held GPS.

DIRECTORS' REPORT

Matrix Metals will maximise its chances for a major exploration success in the 2013-2014 period by:

- Assessing geophysical data to target large scale structurally hosted Copper-Gold-Cobalt mineralisation within the greater tenement package area;
- Carrying out cost-effective exploration on selected targets and seeking to reduce risk as much as possible;
- Focussing on high-grade or shallow mineralisation within the highly prospective Mt Isa Inlier;
- Continued strategic assessment of external projects with a view to expand the current Exploration Tenement Portfolio.

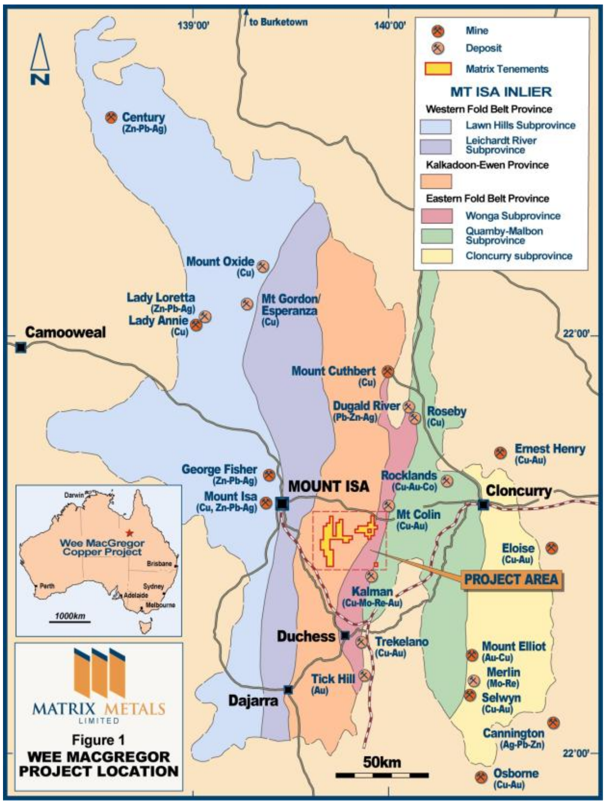

Figure 1: Tenement Location Map

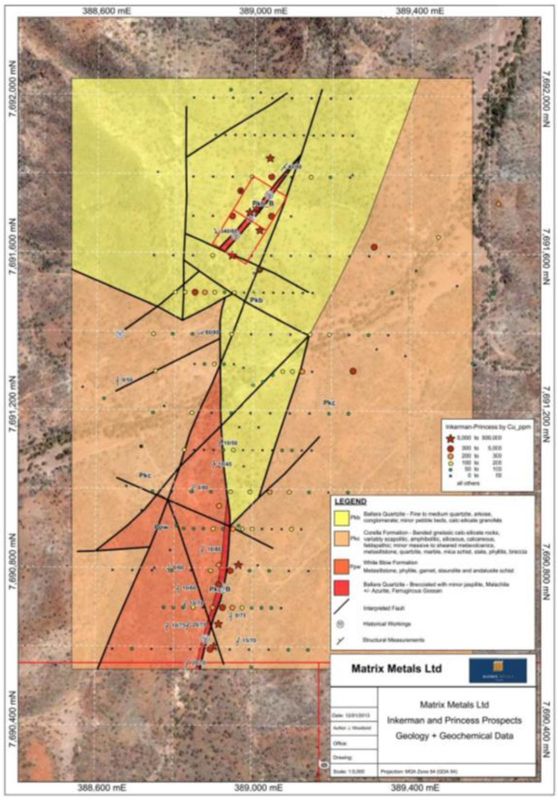

Figure 2: EPM17907 "Inkerman - Princess" 2012-2013 Copper in Soil Geochemistry grid and outcrop geology.

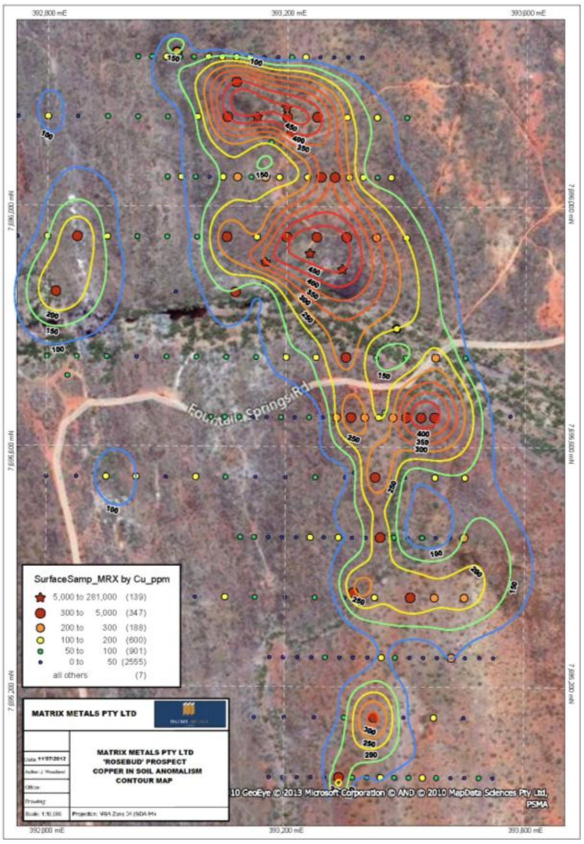

Figure 3: EPM17449 'Rosebud' 2012 - 2013 Copper in Soil Geochemistry contour map

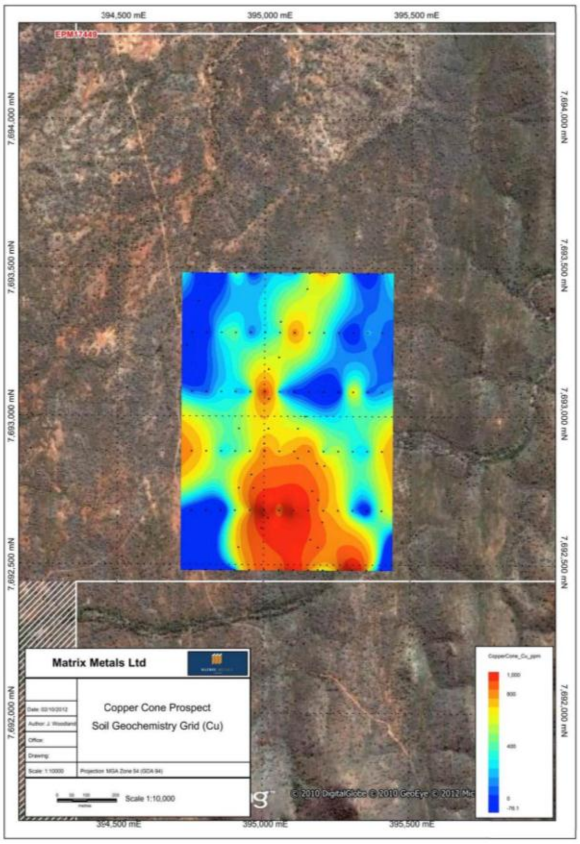

Figure 4: EPM17449 'Copper Cone' 2012 - 2013 Copper in Soil Geochemistry grid

Competent Person's Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Dennis Kruger, a member of The Australasian Institute of Mining and Metallurgy. Mr. Kruger, is a consultant to Matrix Metals Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Kruger consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

EVENTS SUBSEQUENT TO BALANCE DATE

On 26 July, the Company announced that Executive Director Mr Joe Ariti tendered his resignation to take immediate effect. The Company appointed Mr Jeff Hamilton as Non-executive Director of the Company effective 26 July 2013. Mr Jason Bontempo assumed the role of Executive Director of the Company effective 26 July 2013.

No other event has arisen since 30 June 2013 that would be likely to materially affect the operations of the Company, or its state of affairs which have not otherwise been disclosed in this financial report.

DIVIDENDS

No dividend has been declared or paid since the end of the previous financial year.

CHANGES IN STATE OF AFFAIRS

There has been no change in state of affairs of the Company from the previous financial year.

REMUNERATION REPORT - audited

Principles of Remuneration - audited

Since December 2011, the directors are the only persons regarded as key management personnel with authority and responsibility for planning, directing and controlling the activities of the Company.

During the current year and prior year, no remuneration was paid to any of the directors of the Company.

Options and rights over equity instruments granted as remuneration - audited

No options over ordinary shares or shares in the Company were granted as remuneration to the Company's directors or any of its employees during the current year (2012: Nil).

UNISSUED SHARES UNDER OPTION

At the date of this report there were 40,000,000 options exercisable at $0.005 each on or before 31 December 2016 on issue.

Since the end of the financial year, no options have been exercised or granted. There are no amounts unpaid on shares issued.

DIRECTORS' INTERESTS

The relevant interest of each director in the share capital of the Company, as notified by the directors to the Australian Securities Exchange in accordance with S205G (1) of the Corporations Act 2001, at the date of this report is as follows:

	Ordinary shares	Number of options over shares
Mr Sage	60,000,000	10,000,000
Mr Bontempo	40,000,000	9,500,000
Mr Hamilton	2,862,614	-

ENVIRONMENTAL REGULATIONS

The Company is subject to significant environmental regulation in respect to its operations. The Company aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the financial year under review.

NON-AUDIT SERVICES

During the current year the auditors provided other non-audit services amounting to $19,800 (30 June 2012: $20,900).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on page 9 of the financial report.

Signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors

Jason Bontempo
Executive Director
5 August 2013

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

5 August 2013

Board of Directors
Matrix Metals Limited
32 Harrogate Street
West Leederville,WA 6007

Dear Directors

RE: MATRIX METALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Matrix Metals Limited.

As Audit Director for the audit of the financial statements of Matrix Metals 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:

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

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

MATRIX METALS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
Other income	2(a)	**8,161**	138,209
Gain on transfer of net liabilities to the Creditors Trust	2(b)	**-**	57,851,606
Care and maintenance costs		**-**	(275,646)
Tenement administration costs		**-**	(80,425)
Employee benefits costs		**-**	(15,235)
Administration costs		**(32,435)**	(54,733)
Consultants costs		**(80,687)**	(240,226)
Compliance costs		**(49,766)**	(79,947)
Travel costs		**(5,037)**	-
Fees paid to Administrator and Receiver and Manager		**-**	(250,578)
Finance costs		**-**	(359,701)
Impairment losses		**-**	(243,000)
(Loss) / Profit before tax		**(159,764)**	56,390,324
Income tax expense	4	**-**	-
(Loss) / Profit after tax	12	**(159,764)**	56,390,324
Other comprehensive (expenditure) / income net of tax		**-**	-
Total comprehensive (loss) / income for the year		**(159,764)**	56,390,324
(Loss) / Profit from continuing operations after income tax attributable to:			
Equity holders of the parent		**(159,764)**	56,390,324
Total comprehensive (loss) / income attributable to:			
Equity holders of the parent		**(159,764)**	56,390,324
Earnings per share attributable to the ordinary equity holders of the company:			
Basic (loss) / earnings per share (cents)	13	**(0.05)**	10.76
Diluted (loss) / earnings per share (cents)	13	**(0.05)**	10.71

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

MATRIX METALS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

	Note	2013 $	2012 $
Current assets			
Cash and cash equivalents	16 (b)	**698,586**	1,042,610
Trade and other receivables	6	**47,880**	8,190
		746,466	1,050,800
Non-current assets			
Exploration and evaluation expenditure	7	**214,259**	84,355
Tenement bonds and security deposits	8	**17,500**	17,500
Total non-current assets		**231,759**	101,855
Total assets		**978,225**	1,152,655
Current liabilities			
Trade and other payables	9	**17,800**	32,466
		17,800	32,466
Non-current liabilities			
Provisions	10	**27,000**	27,000
Total non-current liabilities		**27,000**	27,000
Total liabilities		**44,800**	59,466
Net assets		**933,425**	1,093,189
Equity			
Issued capital	11(a)	**70,009,924**	70,009,924
Reserves	11(b)	**1,000**	1,000
Accumulated losses	12	**(69,077,499)**	(68,917,735)
Total equity		**933,425**	1,093,189

The above Statement of financial position should be read in conjunction with the accompanying notes.

MATRIX METALS LIMITED

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

	Issued Capital $	Options Reserve $	Accumulated losses $	Total $
Balance at 1 July 2012	**70,009,924**	**1,000**	**(68,917,735)**	**1,093,189**
Net loss for the year	**-**	**-**	**(159,764)**	**(159,764)**
Other comprehensive loss	**-**	**-**	**-**	**-**
Total comprehensive loss	**-**	**-**	**(159,764)**	**(159,764)**
Transactions with owners in their capacity as owners	**-**	**-**	**-**	**-**
Balance at 30 June 2013	**70,009,924**	**1,000**	**(69,077,499)**	**933,425**

	Issued Capital $	Options Reserve $	Accumulated losses $	Total $
Balance at 1 July 2011	**67,701,455**	**-**	**(125,308,059)**	**(57,606,604)**
Net profit for the year	-	-	56,390,324	56,390,324
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	56,390,324	56,390,324
Transactions with owners in their capacity as owners				
Issue of shares pursuant to Deed of Company Arrangement	200,000	-	-	200,000
Issue of shares and options pursuant to a prospectus (net of costs)	2,108,469	1,000	-	2,109,469
Balance at 30 June 2012	**70,009,924**	**1,000**	**(68,917,735)**	**1,093,189**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2013

	Note	2013 $	2012 $
Cash flows from operating activities			
Payments to suppliers and employees		**(222,281)**	(1,393,485)
Interest received		**8,161**	119,729
Interest paid		**-**	(359,701)
Net cash (used in) operating activities	16 (a)	**(214,120)**	(1,633,457)
Cash flows from investing activities			
Exploration expenditure incurred	7	**(129,904)**	(43,355)
Environmental performance bonds returned		**-**	696,949
Environmental performance bonds put in place		**-**	(22,520)
Net cash (used in) / provided by investing activities		**(129,904)**	631,074
Cash flows from financing activities			
Repayment of borrowings		**-**	(1,600,000)
Proceeds from issue of shares and options		**-**	2,151,000
Payment of capital raising costs		**-**	(41,531)
Loan funding repaid		**-**	(100,000)
Cash balances previously under the control of the Administrator transferred to the Creditors Trust		**-**	(3,453,619)
Net cash (used in) financing activities		**-**	(3,044,150)
(Decrease) in cash and cash equivalents		**(344,024)**	(4,046,533)
Cash and cash equivalents at 1 July		**1,042,610**	5,089,143
Cash and cash equivalents at 30 June	16 (b)	**698,586**	1,042,610

The above Statement of Cashflows should be read in conjunction with the accompanying notes.

1. SUMMARY OF ACCOUNTING POLICIES

Matrix Metals Limited (the "Company") is a company domiciled in Australia.

The financial report of Matrix Metals Limited comprises the Company for the financial year ended 30 June 2013.

The financial report was authorised for issue by the directors on 5 August 2013.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Adoption of new and revised accounting standards

Changes in accounting policy and other disclosures

New and amended standards adopted by the group
None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 *Presentation of Financial Statements effective* 1 July 2012 now require the Statement of Profit and Loss and Other Comprehensive Income to show the items of comprehensive income grouped into those that are not permitted to be reclassified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met.

New Accounting Standards for Application in Future Periods
The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group.

At the date of the authorization of the financial statements, the standards and Interpretations listed below were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', AASB 2010-7 'Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)', and AASB 2012-6 'Amendments to Australian Accounting Standards-Mandatory Effective date of AASB 9 and Transition Disclosures'	1 January 2015	30 June 2016
AASB 10 'Consolidated Financial Statements'	1 January 2013	30 June 2014
AASB 11 'Joint Arrangements'	1 January 2013	30 June 2014
AASB 12 'Disclosure of Interests in Other Entities'	1 January 2013	30 June 2014
AASB 13 'Fair Value Measurement' and AASB 2011-8 'Amendments to Australian Accounting Standards arising from AASB 13'	1 January 2013	30 June 2014
AASB 119 'Employee Benefits' (2011) and AASB 2011-10 'Amendments to Australian Accounting Standards arising from AASB 19 (2011)'	1 January 2013	30 June 2014
AASB 127 'Separate Financial Statements (2011), AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 128 'Investments in Associates and Joint Ventures' (2011), AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 2011-4 'Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements'	1 July 2013	30 June 2014
AASB 2011-7 'Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements standards'	1 January 2013	30 June 2014
AASB 2012-2 'Amendments to Australian Accounting Standards-Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 7)	1 January 2013	30 June 2014
AASB 2012-3 'Amendments to Australian Accounting Standards-Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 132)	1 January 2014	30 June 2015
AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements cycle'	1 January 2013	30 June 2014
AASB 2012-6 'Amendments to Australian Accounting Standards-Mandatory Effective date of AASB 9 and Transition Disclosures'	1 January 2013	30 June 2014
Interpretation 20 'Stripping Costs in the Production Phase of a Surface Mine' and AASB 2011-12 'Amendments to Australian Accounting Standards arising from Interpretation 20'.	1 January 2013	30 June 2014

The Group has decided not to early adopt any of the new and amended pronouncements.

Of the above new and amended Standards and Interpretations the Group's assessment of those new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments (December 2010) and AASB 2010-7 and AASB 2012-6: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion

of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011-7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation - Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or 'joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the 'special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will only affect disclosures and is not expected to significantly impact the Group.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Group.

AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) measured at fair value.

These Standards are not expected to significantly impact the Group.

AASB 2011-4: Amendments to Australian Accounting Standards to remove the individual key management Personnel Disclosure Requirements ((applicable for annual reporting periods commencing on or after 1 January 2013).

This standard makes amendments to AASB 124; Related Party Disclosures to remove the individual key management personnel disclosure requirements (including paras Aus 29.1 to Aus 29.9.3). These amendments serve a number of purposes, including furthering the trans-Tasman conversion, removing differences from IFRSs, and avoiding any potential confusion with the equivalent Corporations Act 2001 disclosure requirements.

This standard is not expected to significantly impact the Group’s financial report as a whole.

AASB 119 (September 2011) includes changes to the accounting for termination benefits.

The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.

AASB 2012-2 'Amendments to Australian Accounting Standards-Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 7);

AASB 2012-3 'Amendments to Australian Accounting Standards-Disclosures-Offsetting Financial Assets and Liabilities' (Amendments to AASB 132);

AASB 2012-5 'Amendments to Australian Accounting Standards arising from Annual Improvements cycle';

AASB 2012-6 'Amendments to Australian Accounting Standards-Mandatory Effective date of AASB 9 and Transition Disclosures'; and

Interpretation 20 'Stripping Costs in the Production Phase of a Surface Mine' and AASB 2011-12 'Amendments to Australian Accounting Standards arising from Interpretation 20'.

These standards are not expected to impact the Group.

(b) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The financial report is presented in Australian dollars which is the entity's functional currency. The financial report is prepared on the historical cost basis. Non-current assets are stated at the lower of carrying amount and recoverable amount. The accounting policies have been applied consistently.

(c) Revenue Recognition

Interest Income
Interest income is recognised in the Statement of Profit or Loss and Other Comprehensive Income as it accrues, using the effective interest method.

(d) Expenses

Operating lease payments
Payments made under operating leases are recognised in the Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the term of the lease.

Financing costs
Financing costs comprise interest payable on borrowings calculated using the effective interest method and lease finance charges. Financing costs are expensed as incurred. Interest cost incurred during preproduction have been capitalised to property plant and equipment.

(e) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office ("ATO") is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(f) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(g) Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance for which discrete financial information is available.

The Company operates in one business segment and one geographical being exploration within Australia.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, short term bills and call deposits.

(i) Property, plant and equipment

Property, plant and equipment is stated at cost less provision for depreciation and any impairment in value.

(j) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

(k) Exploration and evaluation expenditure

In accordance with AASB 6 Exploration for and Evaluation of Mineral Resources, exploration costs are accumulated in respect of each separate area of interest. Exploration costs are carried forward at cost where the rights of tenure are current and:
(i) Such costs are expected to be recouped through successful development and exploration of the area of interest, or alternatively by its sale; or
(ii) Exploration activities in the area have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable resources.
Exploration and evaluation assets are assessed annually for impairment in accordance with AASB 6, and where impairment indicators exist, recoverable amounts of these assets will be estimated based on discounted cash flows from their associated cash generating units. An impairment loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income where the carrying values of exploration and evaluation assets exceed their recoverable amounts.

In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the period in which that assessment is made. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they will not be recoverable in the future.

(l) Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Calculation of recoverable amount
The recoverable amount of the Company's assets is the greater of their fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are not discounted to their present value. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Receivables with a short duration are not discounted.

(m) Trade and other payables

Trade and other payables are stated at their amortised cost and are non-interest bearing.

(n) Employee benefits

Long-term service benefits
The Company's net obligation in respect of long-term service benefits, is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the reporting date which have maturity dates approximating to the terms of the Company's obligations.

Wages, salaries, annual leave, sick leave and non-monetary benefits
Liabilities for employee benefits for wages, salaries, annual leave and sick leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date, including related on-costs.

Defined contribution superannuation funds
Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Statement of Profit and Loss and Other Comprehensive Income as incurred.

(o) Provisions

A provision is recognised in the Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

Mine rehabilitation
Provisions are made for the estimated cost of rehabilitation relating to areas disturbed during the mine's operation up to the reporting date but not yet rehabilitated. Provision has been made in full for all disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows. The estimated cost of rehabilitation includes the current cost of recontouring, topsoiling and revegetation, applying legislative requirements. Changes in estimates are dealt with on a prospective basis as they arise.

Significant uncertainty exists as to the amount of rehabilitation obligations which will be incurred due to the impact of changes in environmental legislation. The amount of the provision relating to rehabilitation of mine infrastructure and dismantling obligations is recognised at the commencement of the mining project and/or construction of the assets where a legal or constructive obligation exists at that time. The provision is recognised as a non-current liability with a corresponding asset included in property, plant and equipment.

At each reporting date the rehabilitation liability is re-measured in line with changes in discount rates and timing or amount of costs to be incurred. Changes in the liability relating to rehabilitation of mine infrastructure and dismantling obligations are added to or deducted from the related asset, other than the unwinding of the discount which is recognised as a finance cost in the Statement of Profit or Loss and Other Comprehensive Income as it occurs. If the change in liability results in a decrease in the liability that exceeds the carrying amount of the asset, the asset is written-down to nil and the excess is recognised immediately in the Statement of Profit or Loss and Other Comprehensive Income.

If the change in the liability results in an addition to the cost of the asset, the recoverability of the new carrying amount is considered. Where there is an indication that the new carrying amount is not fully recoverable, an impairment test is performed with the write-down recognised in the Statement of Profit or Loss and Other Comprehensive Income in the period in which it occurs. The amount of the provision relating to rehabilitation of environmental disturbance caused by ongoing production and extraction activities is recognised in the Statement of Profit or Loss and Other Comprehensive Income as incurred. Changes in the liability are charged to the Statement of Profit or Loss and Other Comprehensive Income as a rehabilitation expense, other than the unwinding of the discount which is recognised as a finance cost.

(p) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Exploration and Evaluation

The application of the Company's accounting policy for exploration and evaluation set out in Note (k) necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves may be determined. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure, it is determined that recovery of the expenditure by future exploitation or sale is unlikely, then the relevant capitalised amount is written off in the Statement of Profit and Loss and Other Comprehensive Income.

During the year ended 30 June 2013, no impairment losses in respect of capitalised exploration and evaluation expenditure have been recognised by management (30 June 2012: $243,000).

(q) Going Concern

The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ending 30 June 2013 the Company incurred a loss of $159,764. Based on the Company's existing cash resources of $698,586 and the ability to modify expenditure outlays if required, the Directors consider there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and therefore the going concern basis preparation is considered to be appropriate for the 2013 Annual report.

In the event that the Company is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and at amounts different to those stated in its financial report.

2a) OTHER INCOME

	2013 $	2012 $
Interest received	**8,161**	119,729
Other income	**-**	18,480
	8,161	138,209

2b) GAIN ON TRANSFER OF NET LIABILIITES TO THE CREDITORS TRUST

	2013 $	2012 $
Gain on transfer of net liabilities to the Creditors Trust	**-**	57,851,606

The management and affairs of the Company was under the control of a Receiver and Manager and an Administrator from November 2008 until the Company was released from external administration on 12 December 2011, and has been under the control of the Company's directors since that date.

On 25 November 2011, the Company's shareholders approved a proposal to recapitalise the Company, which included a share consolidation on a 1:50 basis, the issue of 250,000,000 new shares to the proponents of the recapitalisation proposal ("Proponents") to raise $1,950,000, the issue of 40,000,000 unlisted options to the Proponents to raise $1,000 and the issue of 20,000,000 shares to the Trustee of the Creditors Trust.

This proposal was approved by Shareholders on 25 November 2011 and on 12 December 2011, the Deed of Company Arrangement was effectuated and the Company was released from external Administration.

The gain on transfer of net liabilities to the Creditors Trust recorded for the year ended 30 June 2012 is $57,851,606.

3. AUDITOR'S REMUNERATION

	2013 $	2012 $
Fees paid or payable to Stantons International		
Audit and review of financial reports[1]	**13,048**	51,673
	13,048	51,673

[1] Fees paid or payable in the year ended 30 June 2012 are for the audit of financial statements for the period 31 December 2008 to the 30 June 2012.

4. INCOME TAX EXPENSE

	2013 $	2012 $
Reconciliation between tax expense and pre-tax profit		
Accounting loss before tax	**159,764**	56,390,324
At the statutory income tax rate of 30% (2012: 30%)	**47,929**	16,917,097
Adjusted for:		
Non-deductible expenses	**-**	14,552
Non-assessable income	**-**	(17,355,482)
Capital raising costs deductible over 5 years	**-**	(2,492)
Temporary differences not recognised	**(47,929)**	426,325
Income tax benefit attributable to pre-tax operating loss	**-**	-

Deferred tax assets have not been recognised because it is not probable that future taxable profits will be generated against which the Company can utilise the deferred tax asset.

5. SEGMENT INFORMATION

The Company operates in one business segment and one geographical segment, being mineral exploration within Australia.

6. TRADE AND OTHER RECEIVABLES

	2013 $	2012 $
Other receivables	**47,880**	8,190

7. EXPLORATION AND EVALUATION EXPENDITURE

	2013 $	2012 $
Carrying value at the beginning of the year	**84,355**	284,000
Expenditure incurred during the year	**129,904**	43,355
Impairment losses	**-**	(243,000)
Carrying value at the end of the year	**214,259**	84,355
Carrying value of exploration assets held as long term interest	**214,259**	84,355
	214,259	84,355

8. TENEMENT BONDS AND SECURITY DEPOSITS

	2013 $	2012 $
Non-current		
Security deposits	**17,500**	17,500

9. TRADE AND OTHER PAYABLES

	2013 $	2012 $
Trade and other payables	**7,800**	14,031
Accrued expenses	**10,000**	18,435
	17,800	32,466

10. PROVISIONS

	Rehabilitation		Retirement Benefit	
	2013 $	2012 $	2013 $	2012 $
Current				
Retirement benefit	**-**	-	**-**	-
	-	-	**-**	-
Non-current				
Rehabilitation provision associated with exploration assets held for long term interest	**27,000**	27,000	**-**	-
Balance at beginning of year	**27,000**	27,000	**-**	117,847
Transferred to the Creditors Trust	**-**	-	**-**	(117,847)
Balance at end of year	**27,000**	27,000	**-**	-

Rehabilitation

A provision for rehabilitation has been recognised in relation to the Company's operations. The basis of accounting is set out in Note (o) of the significant accounting policies.

11(a) ISSUED CAPITAL

	2013		2012	
	$	**No. of shares**	**$**	**No. of shares**
Issued and paid up capital	**70,009,924**	**306,151,329**	70,009,924	306,151,329
Balance at beginning of year	**70,009,924**	**306,151,329**	67,701,455	807,534,380
Reduction in shares on issue due to share consolidation	**-**	**-**	-	(791,383,051)
Company Arrangement	**-**	**-**	200,000	20,000,000
Shares issued pursuant to a prospectus	**-**	**-**	2,150,000	270,000,000
Capital raising costs	**-**	**-**	(41,531)	-
Balance at end of year	**70,009,924**	**306,151,329**	70,009,924	306,151,329

Terms and conditions

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings.

In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any proceeds of liquidation.

11(b) RESERVES

At 30 June 2013, there were 40,000,000 unlisted options on issue over ordinary shares with an exercise price of $0.005 and an expiry date of 31 December 2016. Total reserves as at 30 June 2013 is $1,000 (30 June 2012: $1,000).

12. ACCUMULATED LOSSES

	2013	2012
	$	**$**
Balance at beginning of period	**(68,917,735)**	(125,308,059)
Total recognised income and expense	**(159,764)**	56,390,324
Balance at end of period	**(69,077,499)**	(68,917,735)

13. LOSS PER SHARE

	2013	2012
Basic earnings / (loss) per share (cents)	**(0.05)**	10.76
Diluted earnings / (loss) per share (cents)	**(0.05)**	10.71

The calculation of basic earnings / (loss) per share at 30 June 2013 was based on the loss attributable to ordinary shareholders of $159,764 (2012: profit of $56,390,324) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2013 of 306,151,329 (2012: 524,175,428).

The calculation of diluted earnings / (loss) per share at 30 June 2013 was based on the loss attributable to ordinary shareholders of $159,764 (2012: profit of $56,390,324) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2013 of 306,151,329 (2012: 526,564,853).

14. FINANCIAL INSTRUMENTS

(a) Interest rate risk

Interest rate risk exposures

The Company's exposure to interest rate risk and the classes of financial assets and financial liabilities is set out below.

2013	Note	Floating Interest Rate $	Non-interest bearing $	Total $
Financial assets				
Cash on hand in bank	16(b)	**698,586**	**-**	**698,586**
Receivables	6	**-**	**47,880**	**47,880**
Tenement bonds and security deposits	8	**-**	**17,500**	**17,500**
		698,586	**65,380**	**763,966**
Financial liabilities				
Trade and other payables	9	**-**	**7,800**	**7,800**
		-	**7,800**	**7,800**

2012	Note	Floating Interest Rate $	Non-interest bearing $	Total $
Financial assets				
Cash on hand in bank	16(b)	1,042,610	-	1,042,610
Receivables	6	-	8,190	8,190
Tenement bonds and security deposits	8	-	17,500	17,500
		1,042,610	25,690	1,068,300
Financial liabilities				
Trade and other payables	9	-	14,031	14,031
		-	14,031	14,031

Finance income and expenses

	2013 $	2012 $
Interest income on bank deposits	**8,161**	119,729
Finance income	**8,161**	119,729
Interest expense on financial liabilities	**-**	-
Withholding tax and other	**-**	-
Finance expense	**-**	-

14. FINANCIAL INSTRUMENTS *(continued)*

(b) Credit risk exposures

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.
The credit risk on financial assets, excluding investments, which have been recognised in the Statement of Financial Position, is the carrying amount, net of any allowance for doubtful debts. Credit risk in respect of cash, deposits and receivables is minimised as counterparties are recognised financial intermediaries with acceptable credit ratings determined by a recognised rating agency.

(c) Net fair values of financial assets and liabilities

Valuation Approach
Net fair values of financial assets and liabilities are determined by the Company on the following basis:

Recognised Financial Instruments
Monetary financial assets and financial liabilities not readily traded in an organised financial market are determined by valuing them at the present value of expected future cash flows. The carrying amounts of bank term deposits, accounts receivable and accounts payable are deemed to reflect fair value.

(d) Interest rate risk management

The Company is exposed to interest rate risk as it holds cash and term deposits and borrows funds at floating interest rates.

15. COMMITMENTS

Operating lease Commitments

The Company had no operating lease commitments as at 30 June 2013 (30 June 2012: Nil).

Key management personnel

There are no commitments for the payment of salaries and other remuneration under employment contracts in existence at the reporting date that have not been recognised as liabilities payable as at 30 June 2013 (30 June 2012: Nil).

Mineral Tenement Discretionary Commitments

In order to maintain current rights of tenure to mining tenements, the Company has the following discretionary exploration expenditure and rental requirements up until expiry of leases. These obligations, which are subject to renegotiation upon expiry of the leases, are not provided for in the financial statements and are payable:

	30 June 2013 **$**	**30 June 2012** **$**
Not longer than one year	**117,569**	183,812
Longer than one year, but not longer than five years	**152,346**	266,694
Longer than five years	**-**	-
	269,915	450,506

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the Statement of Financial Position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

16. CASH FLOW INFORMATION

(a) Reconciliation of cash flows from operating activities

	2013 $	2012 $
Cash flows from operating activities		
Profit / (loss) for the period	**(159,764)**	56,390,324
Adjustments for:		
Gain on transfer of net liabilities to the Creditors Trust	**-**	(57,851,606)
Impairment loss	**-**	243,000
Operating loss before changes in working capital and provisions:	**(159,764)**	(1,218,282)
Movement in trade and other receivables	**(39,690)**	(182,230)
Movement in trade and other payables	**(14,666)**	(232,945)
Net cash used in operating activities	**(214,120)**	(1,633,457)

(b) Reconciliation of cash and cash equivalents for purposes of the cash flow statements

	2012 $	2012 $
Cash on hand in bank	**698,586**	1,042,610

(c) Non Cash financing and investing activities

There were no non cash financing and investing activities undertaken by the Company during the year.

17. RELATED PARTIES

During the current year, no remuneration has been paid to any of the directors or executives of the Company (2012: Nil)

Information regarding individual directors' and executives' remuneration and some equity instrument disclosures as permitted by Corporations Regulations 2M.3.03 and 2M.6.04 is provided in the Remuneration Report section of the Directors' Report.

During the prior year, Mr Sage, Mr Ariti and Mr Bontempo each advanced the Company $200,000 in accordance with the Deed of Company Arrangement. The loans were fully repaid in the prior year.

Apart from the details disclosed in this note and the Remuneration Report within the Directors' report, no director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year-end.

Equity Instruments

Movement in option holdings

The movement during the current year in the number of share options in the Company held directly, indirectly or beneficially, by each director, including their related parties, is as follows:

	Balance as at 1 July 2012	Purchases	Sales	Balance as at 30 June 2013
A Sage	10,000,000	-	-	10,000,000
J Ariti	10,000,000	-	-	10,000,000
J Bontempo	9,500,000	-	-	9,500,000

The movement during the prior year in the number of share options in the Company held directly, indirectly or beneficially, by each director, including their related parties, is as follows:

	Balance as at 1 July 2011	Purchases[1]	Sales	Balance as at 30 June 2012
A Sage	-	10,000,000	-	10,000,000
J Ariti	-	10,000,000	-	10,000,000
J Bontempo	-	10,000,000	(500,000)	9,500,000

[1]Acquisition of securities pursuant to participation in offers under a prospectus dated 31 December 2011.

There are 40,000,000 options on issue at 30 June 2013 (40,000,000: 30 June 2012).

17. RELATED PARTIES *(continued)*

Movement in shares

The movement during the current year in the number of ordinary shares in the Company held directly, indirectly or beneficially, by each director, including their related parties, is as follows:

	Balance as at 1 July 2012	Purchases	Balance as at 30 June 2013
A Sage	60,000,000	-	60,000,000
J Ariti	8,000,000	-	8,000,000
J Bontempo	40,000,000	-	40,000,000

The movement during the prior year in the number of ordinary shares in the Company held directly, indirectly or beneficially, by each director, including their related parties, is as follows:

	Balance as at 1 July 2011	Purchases	Balance as at 30 June 2012
A Sage	-	60,000,000	60,000,000
J Ariti	-	8,000,000	8,000,000
J Bontempo	-	40,000,000	40,000,000

18. EVENTS SUBSEQUENT TO BALANCE DATE

On 26 July, the Company announced that Executive Director Mr Joe Ariti tendered his resignation to take immediate effect. The Company appointed Mr Jeff Hamilton as Non-executive Director of the Company effective 26 July 2013. Mr Jason Bontempo assumed the role of Executive Director of the Company effective 26 July 2013.

No other event has arisen since 30 June 2013 that would be likely to materially affect the operations of the Company, or its state of affairs which have not otherwise been disclosed in this financial report.

MATRIX METALS LIMITED

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Matrix Metals Limited ("the Company"), I state that:

1. In the opinion of the directors:

   (a) the financial statements and noted of Matrix Metals Limited for the financial year ended 30 June 2013 are 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 its performance for the year ended on that date; and
      (ii) complying with Accounting Standards and the Corporates Regulations 2001;

   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and

   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2013.

Signed in accordance with a resolution of the directors.

Dated at Perth on 5 August 2013.

Jason Bontempo
Executive Director

Stantons International Audit and Consulting Pty Ltd
trading as
Stantons International
Chartered Accountants and Consultants

PO Box 1908
West Perth WA 6872
Australia

Level 2, 1 Walker Avenue
West Perth WA 6005
Australia

Tel: +61 8 9481 3188
Fax: +61 8 9321 1204

ABN: 84 144 581 519
www.stantons.com.au

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
MATRIX METALS LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Matrix Metals Limited, which comprises the statement of financial position as at 30 June 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

Directors' responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1(b), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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 Matrix Metals Limited is in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the company's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
  (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report of the Company also complies with International Financial Reporting Standards as disclosed in note 1(b).

Inherent Material Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter:

As referred to in Note 1 to the financial statements, the financial statements have been prepared on a going concern basis. At 30 June 2013, the entity had working capital of $728,666, cash and cash equivalents of $698,586 and had incurred a loss for the year amounting to $159,764. The ability of the entity to continue as a going concern is subject to a successful recapitalisation of the entity and raising further funds. In the event that the Board is not successful in recapitalising the entity and raising further funds, the entity may not be able to continue as a going concern.

Report on the Remuneration Report

We have audited the remuneration report included in page 8 of 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 Matrix Metals Limited for the year ended 30 June 2013 complies with section 300 A of the *Corporations Act 2001.*

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
5 August 2013

MATRIX METALS LIMITED

CORPORATE GOVERNANCE STATEMENT

The Board of Directors of Matrix Metals Limited (**Matrix**) is responsible for establishing the corporate governance framework of the Company having regard to the ASX Corporate Governance Council's (**CGC**) Corporate Governance Principles and Recommendations (**Recommendations**) and CGC published guidelines.

In accordance with ASX Listing Rule 4.10.3, this corporate governance statement discloses the extent to which the Company has followed the Recommendations by detailing the Recommendations that have not been adopted by the Company and the reasons why they have not been adopted. In the areas where the Company does not follow the Recommendations, the Company is working toward compliance or does not consider that the practices are appropriate for the current size and scale of operations.

Matrix corporate governance practices were in place throughout the year ended 30 June 2013. The current corporate governance policies are posted in a dedicated corporate governance information section of the Company's website at www.matrixmetals.com.au.

Adherence to the Guide on Best Practice Recommendations

	Recommendation	Comply Yes / No
Principal 1 – Lay solid foundations for management and oversight		
1.1	Establish and disclose the functions reserved to the Board and those delegated to senior executives.	Yes
1.2	Disclose the process for evaluating the performance of senior executives.	Yes
1.3	Provide the information indicated in the guide to reporting on Principle 1.	Yes
Principal 2 – Structure the Board to add value		
2.1	A majority of the Board should be independent directors.	No
2.2	The chairperson should be an independent director.	No
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	No
2.4	The Board should establish a nomination committee.	No
2.5	Disclose the process for evaluating the performance of the Board, its committees and individual directors.	Yes
2.6	Provide the information indicated in the guide to reporting on Principle 2.	Yes
Principal 3 – Promote ethical and responsible decision-making		
3.1	Companies should establish a code of conduct and disclose the code or a summary of the code as to: 3.1.1 The practices necessary to maintain confidence in the Company's integrity. 3.1.2 The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders. 3.1.3 The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Yes
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Yes
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	No
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	No
3.5	Provide the information indicated in the guide to reporting on Principle 3.	Yes

	Principal 4 – Safeguard integrity in financial reporting	**Comply Yes / No**
4.1	The Board should establish an audit committee.	No
4.2	The audit committee should be structured so that it: • consists only of non-executive directors; • consists of a majority of independent directors; • is chaired by an independent chairperson, who is not chairperson of the Board; and • has at least three members.	No
4.3	The audit committee should have a formal charter	Yes
4.4	Provide the information indicated in the guide to reporting on Principle 4.	Yes

Principal 5 – Make timely and balanced disclosure

5.1	Companies should established written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	Yes
5.2	Provide the information indicated in the guide to reporting on Principle 5.	Yes

Principal 6 – Respect the rights of shareholders

6.1	Companies should design a communication policy for promoting effective communication with shareholders and encourage their participation at general meetings and disclose their policy or a summary of that policy.	Yes
6.2	Provide the information indicated in the guide to reporting on Principle 6.	Yes

Principal 7 – Recognise and manage risk

7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Yes
7.2	The Board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The Board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Yes
7.3	The Board should disclose whether it has received assurances from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Yes
7.4	Provide the information indicated in the guide to reporting on Principle 7.	Yes

Principal 8 – Remunerate fairly and responsibly

8.1	The Board should establish a remuneration committee.	No
8.2	The remuneration committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent chair; and • has at least three members.	No
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	Yes
8.4	Provide the information indicated in the guide to reporting on Principle 8.	Yes

CORPORATE GOVERNANCE STATEMENT

The Board of Directors

The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and it is the responsibility of the Board to oversee the activities of management in carrying out these delegated duties.

In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body. The Board has the final responsibility for the successful operations of the Company.

To assist the Board in carrying out its functions, it has developed a Code of Conduct to guide the Directors, the Chief Executive Officer, the Chief Financial Officer and other key executives in the performance of their roles.

In general, the Board is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. Full details of the Board's role and responsibilities are contained in the Board Charter, a copy of which is available on the Company's website: www.matrixmetals.com.au.

Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

(a) appointment of an Executive Director (being Executive Director, Managing Director or Chief Executive Officer) and other senior executives and the determination of their terms and conditions including remuneration and termination;

(b) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance;

(c) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance;

(d) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;

(e) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;

(f) approving the annual, half yearly and quarterly accounts;

(g) approving significant changes to the organisational structure;

(h) approving the issue of any shares, options equity instruments or other securities in the Company;

(i) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;

(j) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them; and

(k) meeting with the external auditor, at their request, without management being present.

Structure of the Board

To add value to the Company the Board has been formed so that it has effective composition, size and commitment to adequately discharge its responsibilities and duties given its current size and scale of operations. The names of the Directors and their qualifications and experience are stated in the Directors' Report. Directors are appointed based on the specific skills required by the Company and on other attributes such as their decision-making and judgment skills.

The Company recognises the importance of Non-Executive Directors and the external perspective and advice that Non-Executive Directors can offer. Mr Antony Sage and Mr Jason Bontempo are Non-Executive Directors. Mr J Ariti is an Executive Director of the Company. None of the Directors in place for the year ended 30 June 2013 meet the Company's criteria for independence. On 26 July 2013, Mr Joe Ariti resigned as Executive Director of the Company, Mr Jason Bontempo assumed the role as Executive Director and Mr Jeff Hamilton was appointed as a Non-Executive Director of the Company. Mr Jeff Hamilton is an independent Director.

An Independent Director is a Non-Executive Director and:

(a) is not a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company;

(b) within the last three years has not been employed in an executive capacity by the Company or another group member, or been a Director after ceasing to hold any such employment;

(c) within the last three years has not been a principal of a material professional adviser or a material consultant to the Company or another group member, or an employee materially associated with the service provided;

(d) is not a material supplier or customer of the Company or another group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

(e) has no material contractual relationship with the Company or other group member other than as a Director of the Company;

(f) has not served on the Board for a period which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company; and

(g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

The term in office held by each director in office at the date of this report is as follows:

Mr Antony Sage	2 year & 9 months	(Non-Executive Director)
Mr Joe Ariti	2 year & 8months	(Executive Director) (resigned 26 July 2013)
Mr Jason Bontempo	2 year & 9 months	(Non-Executive Director, Executive Director from 26 July 2013)
Mr Jeff Hamilton	1 month (appointed 26 July 2013)	

Performance Review/Evaluation

It is the policy of the Board to conduct evaluation of its performance. The objective of this evaluation is to provide best practice corporate governance to the Company.

The performance of the Chief Executive Officer (Executive Director) is monitored by the Board as a whole. A formal performance review of the Chief Executive Officer did not occur during the year.

The Board have established formal practices to evaluate the performance of the Board, committees, non-executive Directors, the Chief Executive Officer, and senior management. Details of these practices are available on the Company's website. No formal performance evaluation of the Board, individual directors of senior management took place during the year.

In order to achieve continuing improvement in Board performance, all Directors are encouraged to undergo continual professional development. Specifically, Directors are provided with the resources and training to address skill gaps where they are identified.

Securities Trading Policy

Under the Company's Securities Trading Policy, a Director, executive or other employee must not trade in any securities of the Company at any time when they are in possession of unpublished, price-sensitive information in relation to those securities. Additionally, the Board and other employees may not deal in the Company's securities during the 2 business days immediately before and 1 business day after the release of the Company's half yearly or yearly results and the date of the board meeting to approve those results.

Approval is required by Directors and employees before they trade in securities.

As is required by the ASX Listing Rules, the Company notifies the ASX of any transaction conducted by a Director in the securities of the Company.

Diversity Policy

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

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

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

The Company has adopted a diversity policy which provides a framework for the Company to achieve:

- a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals;
- a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff;
- improved employment and career development opportunities for women;
- a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and
- awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

The Board is primarily responsible for setting achievable objectives on gender diversity and monitoring the progress of the Company towards them on an annual basis. Due to the size and scale of operations of the Company, the Board has determined that a long term gender diversity objective is more appropriate.

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

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

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

(a) the proportion of women employees in the whole organisation;
(b) women in senior executive positions; and
(c) women on the board.

The Company has no employees.

Audit and Risk Committee

Due to the current size of the Board, the functions of the Audit and Risk Committee are discharged by the Board as a whole. The Board reviews the audited annual and half-yearly financial statements and any reports which accompany published financial statements and recommends their approval. The Board each year reviews the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.

The Board as a whole is also responsible for establishing policies on risk oversight and management.

Risk Management Policies

The Board's Charter clearly establishes that it is responsible for ensuring there is a good sound system for overseeing and managing risk. Due to the size and scale of the operations of the Company and the size of the Board, risk management issues are considered by the Board as a whole. In accordance with Recommendation 7.1, the Board has established a formal policy for risk management and a framework for monitoring and managing material business risks on an ongoing basis. The policies and procedures adopted are directed at meeting the following objectives:

- effectiveness and efficiency in the use of the Company's resources.
- compliance with applicable laws and regulations.
- preparation of reliable published financial information.

CORPORATE GOVERNANCE STATEMENT

In developing its risk management policies, the Board has taken into consideration any legal obligations and the reasonable expectations of its stakeholders in relation to risk management The Chair is accountable to the Board for effective risk management. The Board undertakes to review the management of material business risks at least annually.

The Company's Risk Management Policy is located on its website: www.matrixmetals.com.au.

Attestations by Chief Executive Officer

It is the Board's policy, that the Chief Executive Officer makes the attestations recommended by the CGC as to the Company's financial condition prior to the Board signing the Annual Report. The role of Chief Executive Officer was discharged by the Executive Director, Mr Joe Ariti during the year ended 30 June 2013. Mr Joe Ariti resigned as Director on 26 July 2013 and Mr Jason Bontempo assumed the role as Executive Director. The certification required in accordance with section 295A of the Corporations Act is provided by Mr Jason Bontempo prior to acceptance by the Board as a whole. The Board has received assurance that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

Remuneration Committee

Due to the current size of the Board, the functions of the Remuneration Committee are discharged by the Board as a whole. The Board as a whole, is charged with the responsibility in respect of establishing appropriate remuneration levels and incentive policies for employees, executives and directors.

The Board is responsible for setting policies for senior officers' remuneration, setting the terms and conditions of employment for the Chief Executive Officer, reviewing and amending the Company's incentive schemes and superannuation arrangements, reviewing the remuneration of both Executive and Non-Executive Directors and making recommendations on any proposed changes and undertaking reviews of the Chief Executive Officer's performance, including, setting with the Chief Executive Officer goals and reviewing progress in achieving those goals.

As at the date of this report, the Company has no employees and no incentive schemes.

Non-Executive Director Remuneration Policy

Non-Executive Directors are to be paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. As at the date of this report, the Non-Executive Directors do not receive any remuneration.

Nomination Committee

The role of a Nomination Committee is to help achieve a structured Board that adds value to the Company by ensuring an appropriate mix of skills are present in Directors on the Board at all times. As the whole Board only consists three members, the Company does not have a nomination committee because it would not be a more efficient mechanism than the full Board for focusing the Company on specific issues.

Responsibilities

The responsibilities of a Nomination Committee would include devising criteria for Board membership, regularly reviewing the need for various skills and experience on the Board and identifying specific individuals for nomination as Directors for review by the Board. The Nomination Committee would also oversee management succession plans including the CEO and his/her direct reports and evaluate the Board's performance and make recommendations for the appointment and removal of Directors. Currently the Board as a whole performs this role.

Continuous Disclosure

The Board has adopted a continuous disclosure policy to ensure that the Company complies with the disclosure requirements of the ASX Listing Rules which is available on the Company's website. The Board has designated the Company Secretary as the person responsible for overseeing and coordinating disclosure of information to the ASX as well as communicating with the ASX. In accordance with the ASX Listing Rules the Company immediately notifies the ASX of information:

- concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities; and
- that would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of the Company's securities.

The Company's Continuous Disclosure Policy is located on its website (www.matrixmetals.com.au).

Shareholder Communication

The Company respects the rights of its shareholders and to facilitate the effective exercise of those rights the Company is committed to:

- communicating effectively with shareholders through releases to the market via ASX, information mailed to shareholders and the general meetings of the Company;
- giving shareholders ready access to balanced and understandable information about the Company and corporate proposals;
- making it easy for shareholders to participate in general meetings of the Company; and
- requesting the external auditor to attend the annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

The Company also makes available a telephone number and email address for shareholders to make enquiries of the Company and encourages shareholders to visit the Company's website for information. The Company's Shareholder Communication Policy is available on the Company's website (www.matrixmetals.com.au).

MATRIX METALS LIMITED

ASX ADDITIONAL INFORMATION

Shareholding

The distribution of members and their holdings of equity securities in the Company as at 23 July 2013 was as follows:

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 – 1,000	2,828	1,191,763	0.389%
1,001 – 5,000	1,495	3,501,490	1.144%
5,001 – 10,000	255	1,864,773	0.609%
10,001 – 100,000	191	5,482,445	1.791%
100,001 – 999,999,999	88	294,110,858	96.067%
Total	**4,857**	**306,151,329**	**100%**

Equity Securities

There are 4,857 shareholders, holding 306,151,329 fully paid ordinary shares.

As at 23 July 2013, there are 4,761 shareholders holding less than a marketable parcel.

All issued ordinary shares carry one vote per share and are entitled to dividends.

Options

The Company currently has 40,000,000 unlisted options exercisable at $0.005 each on or before 31 December 2016 on issue.

Voting Rights

In accordance with the Company’s constitution, on show of hands every member present in person or by proxy or attorney or duly authorised representative had one vote. On a poll every member present in person or by proxy or attorney or duly authorised representative has one vote for every fully paid ordinary share held.

Options do not carry a right to vote.

MATRIX METALS LIMITED

ASX ADDITIONAL INFORMATION

Twenty Largest Shareholders

The names of the twenty largest fully paid ordinary shareholders as at 23 July 2013 are as follows:

Rank	Name	Number of Fully Paid Ordinary Shares Held	% held of Issued Capital
1	Antony Sage <Egas Superannuation Fund A/C>	60,000,000	19.598
2	Mr Marcello Davide Cardaci <MP Cardaci Family Fund A/C>	27,500,000	8.982
3	Mrs Tiziana Battista <Morriston A/C>	25,000,000	8.166
4	Mr Marcello Cardaci & Mrs Gayle Elizabeth Cardaci <The Spyder Super Fund A/C>	20,000,000	6.533
5	Jason Bontempo & Tiziana Battista <The Morriston S/F A/C>	15,000,000	4.900
6	Ms Fiona Margaret Taylor	14,630,819	4.779
7	Matrix CT Pty Ltd	14,384,492	4.698
8	Mr Giuseppe Vince Ariti	8,000,000	2.613
9	Mr Brian Edward Von Bergheim <The Indulgence A/C>	7,500,000	2.450
10	Mr Ghassan Ghantous & Miss Jacquelyn Ruth Ghantous	5,000,000	1.633
11	Invia Custodian Pty Limited <Kulta Holdings Pty Ltd A/C>	5,000,000	1.633
12	J&J Bandy Nominees Pty Ltd <J&J Bandy Super Fund A/C>	5,000,000	1.633
13	Jameker Pty Ltd <AKJ Family A/C>	5,000,000	1.633
14	Miss Allison Jayne Fitzgerald	5,000,000	1.633
15	HSBC Custody Nominees (Australia) Limited	4,052,452	1.324
16	Metvest Pty Ltd	3,606,504	1.178
17	Mrs Soo Fong Hamilton	2,862,614	0.935
18	Amy Fink	2,500,000	0.817
19	Adriatic Pty Ltd <MGS A/C>	2,500,000	0.817
20	Residuum Nominees Pty Ltd <The Carbrakine S/F A/C>	2,500,000	0.817
		235,036,881	**76.772**

Schedule of Mineral Tenements Held at Balance Sheet Date

Tenement	Location	Tenement Name
EPM 17449	QLD	Rosebud
EPM 17902	QLD	Pindora North
EPM 17904	QLD	Split Rock West
EPM 17907	QLD	Rosebud West
EPM 17910	QLD	Rocky Creek