MAMBA MINERALS
LIMITED

ABN 34 119 770 142

ANNUAL REPORT
2012

CORPORATE DIRECTORY

DIRECTORS	Gary Castledine (Non-Executive Chairman) Terrence Robert Hyndes (Non-Executive Director) Neville John Bassett (Non-Executive Director)	
SECRETARY	Terrence Robert Hyndes	
REGISTERED & PRINCIPAL OFFICE	Ground Floor, 3 Richardson Street West Perth WA 6005	
	Telephone:	(08) 6389 5778
	Fax:	(08) 9486 1258
	Website:	www.mamba.com.au
	ACN 119 770 142	
AUDITORS	Somes Cooke 1304 Hay Street West Perth WA 6005	
SHARE REGISTRY	Security Transfer Registrars Pty Ltd Suite 1, Alexandria House 770 Canning Highway Applecross WA 6153	
	Telephone:	(08) 9315 2333
	Fax:	(08) 9315 2333
STOCK EXCHANGE	The Company’s shares are listed on the ASX	
ASX CODE	MAB (Fully paid Ordinary Shares) MABOA (Listed Options)	

REVIEW OF OPERATIONS

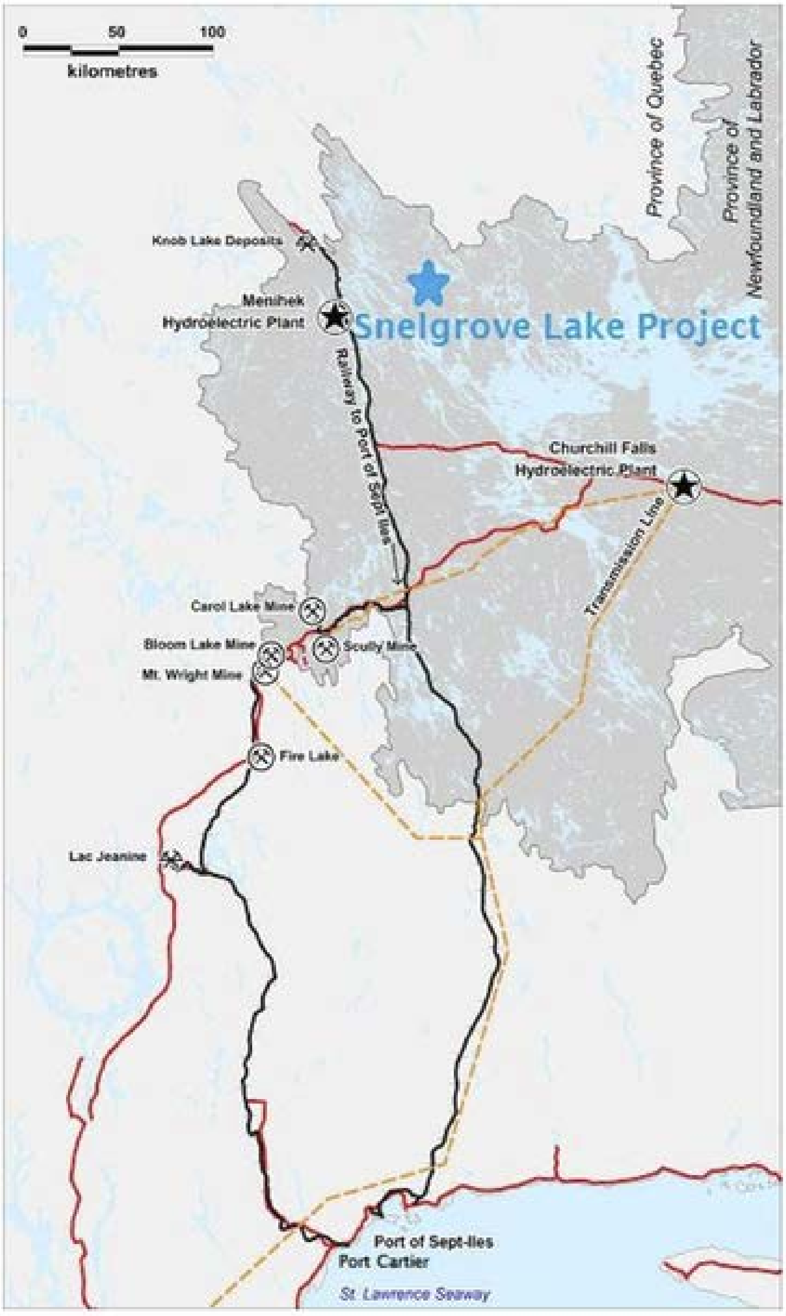
Mamba Minerals Limited (“Mamba” or the “Company”) is pleased to provide its review of operations for the financial year ending 30 June 2012.

Over the last 12 months, the Board has been focused on seeking out and reviewing ‘company’ making projects that have the capacity of building significant long-term shareholders value.

Subsequent to the financial year end, on the 30 July 2012 Mamba announced that it has entered into an agreement to acquire the Snelgrove Lake Project, a highly prospective Iron Ore project located in Canada’s premier iron ore district, the Labrador Trough in Newfoundland. On 31 August 2012, The Company lodged a Prospectus to raise $3,150,000 to provide funds towards exploration on the Snelgrove Lake Project.

Shareholder approval to the proposed acquisition was received on 10 September 2012.

SNELGROVE LAKE PROJECT



REVIEW OF OPERATIONS (Continued)

Location of the Project

The Snelgrove Lake Project is located approximately 55 kilometres southeast from Schefferville and approximately 200 kilometres north of Labrador City in Newfoundland, Canada. The Snelgrove Lake Project has an area of 106 square kilometres (10,600 hectares), and is covered by five granted exploration licences consisting of 424 claims.

Mamba has chosen to focus on this iron ore opportunity in Canada due to the following factors:

- Prominent iron formation with 33km of strike**,** 200m wide, with potential for both DSO and magnetite;
- Exploration permit has been issued with drilling proposed to commence in September 2012;
- Located within Canada's premier iron ore district, the Labrador Trough;
- 65km east of heavy gauge rail connection at Schefferville with available capacity and 565 km from Schefferville to the Port of Sept-Iles;
- Hydropower available 45km from Snelgrove Lake at around C$0.04/kwh;
- The Port of Sept-Îles is currently undergoing a C$220 million expansion increasing the port capacity to 50 million tonnes per annum by March 2014;
- There is significant activity within Canada's Labrador Trough with numerous projects underway including with Tata Steel, Rio Tinto, Cliffs Natural Resources and ArcelorMittal; and
- Quebec's Plan Nord proposes to invest C$80 billion in new infrastructure adding rail and port capacity to unlock the economic potential of the region's resources.

Previous exploration has indicated that the Snelgrove Lake Project has a banded iron taconite formation with a prominent ridge of iron formation that occurs over a strike length of approximately 33 kilometres. The Snelgrove Lake Project is hosted within the Sokoman Formation which is the main ore bearing horizon within the Labrador West district where ArcelorMittal, Cliffs Natural Resources Inc, Consolidated Thompson Iron Mines Ltd (now owned by Cliffs), Champion Minerals Inc and Iron Ore Company of Canada (owned by Rio Tinto (58.7%, Mitsubishi Corporation (26.2%), and the Labrador Iron Ore Royalty Income Corporation (15.1%)) operate. The main outcrop of the Snelgrove Lake Project dips steeply to the West where the cover /extent of the iron is to be determined from the next phase of exploration.

Commercial Terms

Under the terms of the acquisition agreement ("Acquisition Agreement") entered into between Mamba and the vendors of CIP Magnetite Ltd ("CIP Mag"), Mamba has been granted an option ("CIP Option") to acquire CIP Mag an unlisted Canadian company ("CIP Mag Acquisition"). The exercise period for Mamba to exercise the CIP Option will be between 1 July 2013 and 31 July 2013.

CIP Mag has entered into an option agreement with Altius ("Option Agreement"), a company incorporated pursuant to the laws of Newfoundland and Labrador, Canada, which is a wholly owned subsidiary of Altius Minerals Corporation, a company incorporated pursuant to the laws of Alberta, Canada and listed on the Toronto Stock Exchange, whereby Altius has granted CIP Mag an option to acquire 100% of the Snelgrove Lake Project ("Altius Option"). The exercise period for CIP Mag to exercise the Altius Option is within three years from the commencement of Exploration Spend 1 (defined below).

Upon completion of the acquisition of CIP Mag, Mamba will procure CIP Mag to continue to undertake its obligations, and will be entitled to the benefit of CIP Mag's rights under the Option Agreement to exercise the Altius Option and acquire the Snelgrove Lake Project. Mamba will have full access to the Snelgrove Lake Project to undertake the relevant exploration activities in conjunction with CIP Mag at all times.

The completion and settlement of the Acquisition Agreement and the Option Agreement together form the transaction.

REVIEW OF OPERATIONS (Continued)

Transaction.

Below is a summary of the key terms of the Acquisition Agreement.

Consideration

Subject to the receipt of all necessary regulatory and shareholder approvals to the Transaction, including the shareholder approvals received on 10 September 2012:

(i) $325,000 to be paid to Capital Investment Partners Pty Ltd;

(ii) $100,000 to be paid to Indian Ocean Capital Pty Ltd; and

(iii) 6,400,000 Performance Shares[1] converting to ordinary shares upon delineation of a JORC compliant Mineral Inferred Resource of 100 million tonnes at a minimum grade of 25% Fe;

(iv) 6,400,000 Performance Shares[1] converting to ordinary shares upon delineation of a JORC compliant Mineral Inferred Resource of 200 million tonnes at a minimum grade of 25% Fe;

(v) 6,400,000 Performance Shares[1] converting to ordinary shares upon delineation of a JORC compliant Mineral Inferred Resource of 600 million tonnes at a minimum grade of 25% Fe;

(vi) 6,400,000 Performance Shares[1] converting to ordinary shares upon delineation of a JORC compliant Mineral Inferred Resource of 1,000 million tonnes at a minimum grade of 25% Fe; and

(vii) 6,400,000 Performance Shares[1] converting upon bankable feasibility (with 12 month voluntary escrow).

Through the acquisition of CIP Mag, Mamba will control the right to acquire 100% of the Snelgrove Lake Project from Altius via the Option Agreement for consideration as follows:

(i) C$410,000 to be paid to Altius;

(ii) The placement of 17,000,000 options[1] to acquire fully paid ordinary shares in Mamba exercisable on or before 31 August 2015 at $0.25 per MAB Option, to Altius at an issue price of $0.005 per MAB Option to raise $85,000 ("Altius Placement"). Completion of the Altius Placement is at the election of Altius;

(iii) C$3,250,000 to be spent by MAB on exploration of the Snelgrove Lake Project within the first 18 months (Tranche 1 Exploration Spend);

(iv) C$3,250,000 to be spent by MAB on exploration of the Snelgrove Lake Project within the first 36 months (Tranche 2 Exploration Spend);

(v) $5,750,000 to Altius within three months from the exercise of the three year Option to acquire the Snelgrove Lake Project; and

(vi) A gross sales royalty of 3% of revenue.

Note 1: Post Consolidation at 5 to 1 ratio

EXISTING PROJECTS

Mamba's two main existing projects are:

(i) two (2) granted exploration licences (E77/1896 and E77/1897) and two (2) granted prospecting licenses (P77/4041 and (P77/4042), located in Western Australia (together the **Ennuin Project**) prospective for gold; and

(ii) one exploration concession, being the Chua concession (755c) located in the Manica Province in Mozambique (**Mozambique Project**),

REVIEW OF OPERATIONS (Continued)

Ennuin Project

The Ennuin Project is held by the Company's wholly owned subsidiary, Mamba Goldfields Pty Ltd. It comprises of two (2) granted exploration licenses E77/1896 and E77/1897 and two (2) granted prospecting licenses P77/4041 and P77/4042, located 28 kilometres north and 32 kilometres northwest of Bullfinch, Western Australia, respectively. The Ennuin Project is considered prospective for gold and nickel due to its proximity to the Bullfinch Greenstone Belt.

In April 2012, the Company undertook its first work program (post-grant of the tenements comprising the Ennuin Project), which focused on geological inspection, familiarization of geology and geography.

Mozambique Project

The Mozambique Project is held by the Company's 98.5% owned Mozambique subsidiary, Mambas Minerais Limitada, (**Mambas Minerais**). Previously, Mambas Minerais held rights to both the Nhamucuarara concession (**Nhamucuarara**) and the Chua concession (**Chua**). However, following the completion of an environmental impact study, Mambas Minerais allowed Nhamucuarara to lapse.

Chua (755c) is located in the south of Mozambique in the Manica Province and is within distance of an established population supporting local administration and markets. The Manica Province is home to an extension of the Archean Odzi-Mutare Greenstone belt, which is host to gold occurrences throughout. Chua is within close proximity to the active Munhena open cast mine with extensions of the Munhena mineralisation believed to extend into Chua.

Mambas Minerais, at various times, has entered into negotiations and agreements with local and regional parties in Mozambique with the objective of realising value from the Mozambique Project through joint-venturing and/or divestment. However, due to the ongoing non-performance of commercial terms, all discussions and negotiations in respect of these agreements have been terminated.

In March 2012, Mamba appointed Mr Noel Sheppy an experienced senior geologist with significant experience in Mozambique to undertake a regulatory, geological, and economic review of Chua.

As part of this review process, a number of meetings have been held with various stakeholder groups including relevant ministers to discuss the regulatory status of the Mozambique Project, a comprehensive review of the geological and economic merits of the Mozambique Project as well as environmental and community stakeholder considerations. During this process Mambas Minerais has continued to retain local personnel in respect of the Mozambique Project.

As at the date of this report, Mamba has not had any formal confirmation as to the regulatory status of Chua.

Upon completion of this review, the Board will determine the best course of action in regards to Mambas Minerais and the Mozambique Project.

DIRECTOR'S REPORT

Your directors present their report on the Company and its controlled entities ('Group') for the financial year ended 30 June 2012.

DIRECTORS

The Director's at any time during or since the end of the year are:

Gary Castledine (Non-Executive Chairman, appointed 13 August 2010)

Mr Castledine has over 14 years experience in stock broking and capital markets. He is founding Director and the head of corporate with Indian Ocean Capital in Perth, Western Australia, a specialist boutique securities dealer and corporate advisory firm.

His wealth of experience has enabled him to gather an extensive suite of clients in a corporate advisory role which has seen him involved in many capital raisings and IPO's across a spectrum of industries. He is currently a Practitioner Member of the Stockbroker Association of Australia (SAA)

As Chairman of Mamba Minerals Ltd, and with extensive contacts throughout Australasia, UK and the USA capital markets, Mr. Castledine is well positioned to lead the Company forward to deliver substantial growth opportunity to shareholders. Mr. Castledine is currently a non-executive Director of Vector Resources Limited.

Mr. Castledine has held no other directorships in listed entities in the past three years.

Terrence Robert Hyndes (Non-Executive Director, appointed 13 August 2010)

Mr Hyndes has a proven track record in leading and managing emerging and growth stage projects, with global experience in Australia, UK, Asia and the US across a range of industries including resources, technology and professional services. He has extensive public market experience including debt and equity capital raising, project acquisition and divestments, business and strategic planning and operational management. Mr Hyndes graduated from the Curtin University of Technology in Western Australia with a Bachelor of Commerce with a double major in Economics and Marketing.

Mr. Hyndes is currently a Director of Astro Resources NL. In the past three years he has also been a director of Vector Resources NL, Red Sky Energy Ltd, Palace Resources Ltd, Odin Resources Ltd and Charles Street Capital PLC.

Neville John Bassett (Non-Executive Director, appointed 13 August 2010)

Mr. Bassett is a Chartered Accountant operating his own corporate consulting business, specialising in the area of corporate, financial and management advisory services. He consults to a number of publicly listed companies and private company groups in a diversity of industry sectors such as stockbroking, property and resources. He is a Director or Company Secretary for a number of public and private companies.

Mr. Bassett has been involved with numerous public company listings and capital raisings. His involvement in the corporate arena has also taken in mergers and acquisitions, and includes significant knowledge and exposure to the Australian financial Markets. Mr. Bassett has a wealth of experience in matters pertaining to the Corporations Act, ASX Listing requirements, corporate taxation and finance.

Mr Bassett is currently a director of Vector Resources Ltd and Ram Resources Ltd. In the past three years he has also been a director of Kairiki Energy Ltd and Neurodiscovery Ltd.

DIRECTORS REPORT (Continued)

DIRECTORS' INTERESTS

As at the date of this report the relevant interest of each Director and former Director in the Shares and options of the Group are:

	Shares				Options			
	In own name		In other names		In own name		In other names	
	2012	2011	2012	2011	2012	2011	2012	2011
G Castledine	-	-	6,099,699	6,099,699	-	-	3,705,252	3,705,252
T Hyndes	-	-	900,000	900,000	-	-	900,000	900,000
N Bassett	-	-	3,425,000	3,425,000	-	-	2,000,000	2,000,000

PRINCIPAL ACTIVITY

Mamba's ultimate goal is the discovery and development of mineral deposits.

REVIEW OF OPERATIONS AND RESULTS

The Group made a consolidated loss of $219,506 (2011: $429,793) for the year.

Details of the operations of the Group are set out in the review of operations on page 1.

FINANCIAL POSITION

The total assets of the Group have increased by $179,415 from 30 June 2011 to $1,116,853 as at 30 June 2012.

DIVIDENDS

No dividend is recommended for the current year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

On 11 July 2011, the Company held a General Meeting of Shareholders to seek shareholder approval to;

- Ratify the 7.5 million fully paid ordinary shares and 7.5million Listed options ($0.05, expiry 30 June 2013) issued on the 20 May 2011.
- pre-approve the issue of 12.5million fully paid ordinary shares and 12.5million Listed Options ($0.05, expiry 30 June 2013)
- pre-approve the issue of 20million Listed Options ($0.05, expiry 30 June 2013)

All resolutions were approved.

On the 19 July the pre-approved Shares and Options were issued to Professional (708) Investors raising $475,000.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Post financial year ending 30 June 2012, the following events occurred;

- On 30 July 2012 Mamba announced that it had entered into an agreement to acquire the Snelgrove Lake Project, a highly prospective Iron Ore project located in Canada's premier iron ore district, the Labrador Trough in Newfoundland (refer Review of Operations);

DIRECTORS REPORT (Continued)

- On 31 August 2012, The Company lodged a Prospectus to raise $3,150,000 to provide funds towards exploration on the Snelgrove Lake Project;
- On 10 September 2012, shareholders approved:
  - **(i)** a change in the nature and scale of the Company's activities;
  - **(ii)** a consolidation of the Company's issued capital on a 1 for 5 basis;
  - **(iii)** the issue of 17,000,000 options on a post consolidation basis, as part of the Snelgrove Lake Project acquisition;
  - **(iv)** the creation of a new class of securities;
  - **(v)** the issue of a total of 32,000,000 performance shares as part of the Snelgrove Lake Project acquisition; and
  - **(vi)** the capital raising described above.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Likely developments in the operations of the Group have been set out in the Review of Operations. Further information on the likely developments and expected results of operations of the Group has not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the Group.

MEETINGS OF DIRECTORS

The numbers of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Number Eligible to Attend	**Number Attended**
G Castledine (appointed 13 August 2010)	4	4
T Hyndes (appointed 13 August 2010)	4	4
N Bassett (appointed 13 August 2010)	4	4

AUDIT COMMITTEE

The Group has established an Audit Committee that comprises the full Board of the Group.

	Number Eligible to Attend	**Number Attended**
G Castledine (appointed 13 August 2010)	2	2
T Hyndes (appointed 13 August 2010)	2	2
N Bassett (appointed 13 August 2010)	2	2

ENVIRONMENTAL ISSUES

The Group's policy is to comply with all relevant legislation and the best practice conventions in respect of its exploration and mining activities on the tenements it holds.

DIRECTORS REPORT (Continued)

OPTIONS

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

Grant Date	Date of Expiry	Exercise Price	Number of Options
18/2/2010	30 June2013	$0.05	5,745,829
30/4/2010	30 June 2013	$0.05	3,587,517
7/12/2010	30 June 2013	$0.05	55,000,000
20/5/2011	30 June 2013	$0.05	7,500,000
19/7/2011	30 June 2013	$0.05	32,500,000
			104,333,346

REMUNERATION REPORT – AUDITED

This report outlines the remuneration arrangements in place for Directors and Executives of the Group.

Directors' Remuneration Policy

(a) The policy of the Group is to pay remuneration of Directors and Executives in cash and in amounts in line with employment market conditions relevant in the mining industry. Minor amounts of employee fringe benefits in the form of employee meals and entertainment are provided as part of the executives' way of conducting business.

(b) The Groups performance, and hence that of its directors and Executives, is measured in terms of a combination of Group share price growth, cash raised, exploration carried out and farm in expenditure attracted.

Details of Remuneration

Key Management Persons' remuneration for the year ended 30 June 2012

	SHORT-TERM EMPLOYEE BENEFITS			**POST EMPLOYMENT BENEFITS**		**SHARE BASED**		**TOTAL**
	Salary, Fees & Superannuation	Other Services	Non-Monetary	Superannuation	Retirement Benefits	Options	Other Benefits	$
Directors								
Gary Castledine - Non-Executive Director (appointed 13 August 2010)								
2012	**36,000**	**-**	**-**	**-**	**-**	**-**	**-**	**36,000**
2011	31,839	-	-	-	-	-	-	31,839
T Robert Hyndes - Non-Executive Director and Company Secretary (appointed 13 August 2010)								
2012	**36,000**	**-**	**-**	**-**	**-**	**-**	**-**	**36,000**
2011	31,839	-	-	-	-	-	-	31,839
Neville Bassett - Non-Executive Director (appointed 13 August 2010)								
2012	**36,000**	**-**	**-**	**-**	**-**	**-**	**-**	**36,000**
2011	31,839	-	-	-	-	-	-	31,839
Gregg Freemantle - Chairman & Non-Executive Director (removed 13 August 2010)								
2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2011	4,167	-	-	-	-	-	-	4,167
James Brett - Executive Director (removed 13 August 2010)								
2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2011	44,443	-	-	4,000	-	-	-	48,443
Mark Freemantle - Executive Director (removed 13 August 2010)								
2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2011	44,443	-	-	4,000	-	-	-	48,443
Graham Anderson - Company Secretary (resigned 13 August 2010)								
2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2011	11,500	-	-	-	-	-	-	11,500
Total Remuneration								
2012	**108,000**	**-**	**-**	**-**	**-**	**-**	**-**	**108,000**
2011	200,070	-	-	8,000	-	-	-	208,070

DIRECTORS REPORT (Continued)

There are no contracts in place with regard to the services provided by the Directors.

Mr Hyndes' directors fees and company secretarial fees have been paid to Splendour Investments Pty Ltd of which he is the principal.

Mr Bassett's fees have been paid to Mandevilla Pty Ltd of which he is the principal.

SHARE OPTIONS

Options granted to Directors and Officers on the Group

No options have been granted over unissued shares of the Group to Directors or Executives as part of their remuneration.

End of Audited section

DIRECTORS REPORT (Continued)

INDEMNIFICATION

There are indemnities for Directors and insurances in regard to their positions.

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

NON-AUDIT SERVICES

During the year Somes Cooke, the Group's Auditor, did not perform any other services in addition to their statutory duties. The remuneration for these services is disclosed in Note 19 of the financial statements.

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2012 has been received and can be found on page 12 of the annual report.

Signed in accordance with a resolution of the Directors

Gary Castledine, Chairman

Perth, Western Australia

27 September 2012

DIRECTORS' DECLARATION

1) In the opinion of the Directors:

(a) The accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:

- giving a true and fair view of the group's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards and the Corporations Act 2001.

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

(c) the audited remuneration disclosure set out in the Remuneration Report of the Director's Report for the year ended 30 June 2012 complies with section 300A of the Corporations Act 2001.

2) The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2012.

3) The group has included in the notes to the financial statements a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors.

Gary Castledine, Chairman

Perth, Western Australia

27 September 2012

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Chartered Accountants
Business Consultants
Financial Advisors

AUDITOR'S INDEPENDENCE DECLARATION

To those charged with governance of Mamba Minerals Limited

As auditor for the audit of Mamba Minerals Limited for the year ended 30 June 2012, I declare that, to the best of my knowledge and belief, there have been:

a) No contraventions of the independence requirements of the *Corporations Act 2001* in relation to the audit; and
b) No contraventions of any applicable code of professional conduct in relation to the audit.

Somes Cooke

Somes Cooke

Nicholas Hollens

Nicholas Hollens
Perth
28 September 2012

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Chartered Accountants
Business Consultants
Financial Advisors

Independent Auditor's Report
To the members of Mamba Minerals Limited

Report on the Financial Report

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

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Mamba Minerals Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Mamba Minerals Limited is in accordance with the *Corporations Act 2001*, including:

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

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

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 9 of the directors' report for the year ended 30 June 2012. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Opinion

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

Somes Cooke

Somes Cooke

Nicholas Hollens

Nicholas Hollens
28 September 2012
Perth

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Interest received	2	48,307	16,335
Exploration costs written off		(28,583)	(39,839)
Occupancy expenses		(18,000)	(26,315)
Administration expenses	3	(220,330)	(379,572)
Foreign exchange losses		(900)	(402)
(Loss) from ordinary activities before related income tax expense		(219,506)	(429,793)
Income tax attributable to operating loss	4	-	-
Other comprehensive income for the period, net of income tax		-	-
Total comprehensive income for the year		(219,506)	(429,793)
Loss per share			
Basic (cents per share)	15	(0.1684)	(0.4887)
Diluted (cents per share)	15	(0.1684)	(0.4887)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Note	2012 $	2011 $
Current Assets			
Cash and cash equivalents	5	1,080,208	897,901
Trade and other receivables	6	9,770	16,950
Total Current Assets		1,089,978	914,851
Non-Current Assets			
Plant and equipment	7	724	9,562
Capitalised tenement acquisition costs	8	-	-
Exploration and evaluation	9	26,151	13,025
Total Non-Current Assets		26,875	22,587
Total Assets		1,116,853	937,438
Current Liabilities			
Trade and other payables	10	41,812	110,510
Total Current Liabilities		41,812	110,510
Total Liabilities		41,812	110,510
Net Assets		1,075,041	826,928
Equity			
Issued capital	11	6,904,372	6,436,752
Accumulated losses	12	(5,829,330)	(5,609,824)
Total Equity		1,075,042	826,928

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012

	Note	2012 $	2011 $
Operating activities			
Interest received		48,307	16,335
Payments to suppliers and employees		(243,494)	(510,441)
Net cash flows (used in) operating activities		(195,187)	(494,106)
Investing activities			
Payments for exploration costs		(13,126)	-
Net cash flows (used in) investing activities		(13,126)	-
Financing activities			
Proceeds from issue of shares and options	9, 11	398,000	1,127,001
Payments for cost of share issue		(7,380)	(46,821)
Net cash flows from financing activities		390,620	1,080,180
Net increase in cash held		182,307	586,074
Cash at beginning of year		897,901	311,827
Cash at the end of the year	5	1,080,208	897,901

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012

	Note	Issued Capital	Accumulated Losses	Total Equity
		$	$	$
Balance at 1 July 2010		5,433,573	(5,180,031)	253,542
Total comprehensive income		-	(429,793)	(429,793)
Issue of share capital		1,050,000	-	1,050,000
Capital raising costs		(46,821)	-	(46,821)
Balance at 30 June 2011		6,436,752	(5,609,824)	826,928
Balance at 1 July 2011		6,436,752	(5,609,824)	826,928
Total comprehensive income		-	(219,506)	(219,506)
Issue of shares and options	11	475,000	-	475,000
Capital raising costs	11	(7,380)	-	(7,380)
Balance at 30 June 2012		6,904,372	(5,829,330)	1,075,042

The accompanying notes form part of these financial statements

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

CORPORATE INFORMATION

The consolidated financial statements of Mamba Minerals Ltd and controlled entities (the Group) for the year ended 30 June 2012 were approved and authorised for issue in accordance with a resolution of the Directors on 27 September 2012.

The nature of the operations and principal activities of the Group are described in the Directors Report.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001. C*ompliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The financial report has been prepared on an accruals basis and is based on historical costs.

Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Going Concern

The directors have prepared the financial statements of the Group on the going concern basis

Accounting policies

(a) Basis on Consolidation

The Group financial statements consolidate those of the parent company and all of its subsidiary undertakings drawn up to 30 June 2012. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies. The Group obtains and exercises control through more than half of the voting rights. All subsidiaries have a reporting date of 30 June.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where realised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from effective date of acquisition, or up to the effective date of disposal, as applicable.

(b) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statement of financial position date.

Deferred income tax is provided on all temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(c) Plant and Equipment

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

Plant and equipment

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	20 – 40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

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

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

(d) Exploration and evaluation costs

Exploration costs in relation to each separate area of interest are recognised as an asset in the year in which they are incurred where the following conditions are satisfied:

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

(e) Foreign Currency Transactions and Balances

Functional and presentation currency

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

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

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

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the income statement.

(f) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within 1 year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than 1 year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) Provisions

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

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities in the statement of financial position.

(i) Revenue

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

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

(j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

(k) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

(l) Goods and Services Tax (GST)

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

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

(m) Impairment of Assets

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

(n) Comparative Figures

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

(o) Critical Accounting Estimates and Judgements

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

Capitalised Tenement Acquisition costs

The Groups capitalised capital tenement acquisition costs are reviewed annually by the directors. The Director's in 2009 were of the belief that due to the global financial crisis and the group's financial position, it would be prudent to impair the capital tenement value to nil. The director's agreed that the carrying value should remain nil as at 30 June 2012.

Taxation

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

(p) Segment Reporting

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

(q) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(r) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(s) 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. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the 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: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

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 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Group.

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 [AASB 1, 2, 3, 5, 7, 9, 2009–11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (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" (where 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 affect disclosures only 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 [AASB 1, 2, 3, 4, 5, 7, 9, 2009–11, 2010–7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (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 measurement.

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) to be measured at fair value.

These Standards are not expected to significantly impact the Group.

AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Group.

AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011–8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

(i) for an offer that may be withdrawn – when the employee accepts;

(ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and

(iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

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

	2012 $	2011 $
NOTE 2. REVENUES		
Interest Received	48,307	16,335
	48,307	16,335
NOTE 3. EXPENSES		
Administration expenses:		
Depreciation	(8,838)	(9,831)
Directors remuneration	(108,000)	(208,070)
Other administration expenses	(103,492)	(161,671)
Total administration expenses	(220,330)	(379,572)
NOTE 4. INCOME TAX EXPENSE		
(a) Income tax expense / (benefit)	-	-
(b) Numerical reconciliation between tax-expense and pre-tax net loss		
Profit/(Loss) before income tax benefit	(219,506)	(429,793)
Income tax using the Company's domestic tax rate of 30% (2011: 30%)	(65,852)	(128,938)
Deductible exploration expenditure	(3,938)	(3,908)
Other non-deductible expenses/(deductible tax adjustments)	755	(20,654)
Current year losses for which no deferred tax asset was recognised	69,035	153,500
Income tax benefit (expense) attributable to entity	-	-
(c) Income tax recognised directly in equity		
Capital raising costs	(6,827)	(21,373)
Current year losses for which no deferred tax asset was recognised	6,287	21,373
Total Income tax recognised directly in equity	-	-

(d) Unrecognised temporary differences

Net deferred tax assets (calculated at 30%) have not been recognised in respect of the following items:

	2012 $	2011 $
Deferred Tax Liabilities (at 30%)		
Prepayments	-	(1,805)
Exploration expenditure	(7,845)	(3,908)
	(7,845)	(5,713)
Deferred Tax Asset (at 30%)		
Capital raising costs recognised directly in equity	13,143	17,216
Accrued expenses	3,150	4,200
	16,293	21,416
Unrecognised net deferred tax assets relating to the above temporary differences	8,448	15,703

Estimated unused tax losses of $2,555,315 (2011:$2,304,246) have not been recognised as a deferred tax asset as the future recovery of these losses is subject to the Company satisfying the requirements imposed by the relevant regulatory authorities in each of the jurisdictions in which the Company operates. The benefit of deferred tax assets not brought to account will only be brought to account if:

- Future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised; and
- The conditions for deductibility imposed by the relevant tax legislation continue to be complied with and no changes in tax legislation adversely affect the Company in realising the benefit.

NOTE 5. CASH AND CASH EQUIVALENTS

Cash at Bank	1,080,208	897,901
	1,080,208	897,901

NOTE 6. TRADE AND OTHER RECEIVABLES

GST Receivable	5,061	5,957
Prepaid Expenses	4,709	10,727
Other Receivables	-	266
	9,770	16,950

NOTE 7. PLANT AND EQUIPMENT

Plant and equipment	50,295	50,295
Less: accumulated depreciation	(49,571)	(40,733)
	724	9,562
Movements were as follows:		
Opening balance at beginning of financial year	9,562	19,728
Disposals	-	(335)
Depreciation	(8,838)	(9,831)
Written down balance at end of financial year	724	9,562

	2012 $	2011 $
NOTE 8. CAPITALISED TENEMENT ACQUISITION COSTS		
Capitalised tenement acquisition **(i)**	2,000,000	2,000,000
Impairment expense	(2,000,000)	(2,000,000)
	-	-

(i) Capitalised tenement acquisition costs relate to the Chua (755c) and Nhamocuarara (201c) concessions in the Manica Province (Mozambique). Previously, Mambas Minerais held rights to both the Nhamucuarara concession (**Nhamucuarara**) and the Chua concession (**Chua**). However, following the completion of an environmental impact study, Mambas Minerais allowed Nhamucuarara to lapse.

NOTE 9. EXPLORATION AND EVALUATION

Movements were as follows:		
Opening balance at beginning of financial year	13,025	-
Exploration and evaluation costs incurred	13,126	13,025
Balance at end of financial year	26,151	13,025

NOTE 10. TRADE AND OTHER PAYABLES

Trade and other payables **(i)**	31,312	96,510
Accruals	10,500	14,000
	41,812	110,510

(i) Trade and other payables at 30 June 2011 include $77,001 of share applications money received in advance.

NOTE 11. ISSUED CAPITAL	**2012**	**2011**
Issued Capital	**$**	**$**
130,916,674 Fully Paid Ordinary Shares (2011: 118,416,674)	6,904,372	6,436,752
	6,904,372	6,436,752

Movements in ordinary share capital	**No.**	**$**
Opening balance at 1 July 2011	118,416,674	6,436,752
Issue of 12.5 Million ordinary shares at $0.03 in July 2011 **(i)**	12,500,000	375,000
Less capital raising costs		(7,380)
Balance at 30 June 2012	130,916,674	6,804,372

	2012	2011
Movements in options over ordinary shares	**No.**	**$**
Opening balance at 1 July 2011	71,833,346	-
Issue of 12.5 million free attaching options in July 2011 exercisable at $0.05 expiring 30 June 2013 **(i)**	12,500,000	-
20 million listed options for $0.005 per option, exercisable at $0.05 expiring 30 June 2013 **(ii)**	20,000,000	100,000
Balance at 30 June 2012	104,333,346	100,000
Total at 30 June 2012		6,904,372

(i) In July 2011, the Company issued 12.5 million fully paid ordinary shares at $0.03 with 12.5 million free attached options exercisable at $0.05 and expiring on 30 June 2013 to professional 708 investors, which raised $375,000.

(ii) In July 2011, the Company issued 20 million Listed Options for $0.005 each, expiring on 30 June 2013, which raised $100,000.

	2012 $	2011 $
NOTE 12. ACCUMULATED LOSSES		
Accumulated losses at beginning of year	(5,609,824)	(5,180,031)
Total comprehensive income for the year	(219,506)	(429,793)
Accumulated losses at end of year	(5,829,330)	(5,609,824)

NOTE 13: RECONCILIATION OF OPERATING LOSS AFTER INCOME TAX TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

Operating (loss) after tax	(219,506)	(429,793)
Non-cash items:		
Depreciation and amortisation	8,838	9,831
Loss on sale of fixed assets	-	335
Changes in assets and liabilities:		
Decrease / (increase) in receivables	7,180	(4,124)
Increase in payables, excl. receipts from share application in advance	8,301	16,794
(Decrease) in employee benefits	-	(74,124)
Other	-	(13,025)
Net cash flows (used in) operating activities	(195,187)	(494,106)

NOTE 14. RELATED PARTY DISCLOSURE

(a) Key Management Personnel:

Gary Castledine	Non-Executive Chairman (appointed 13 August 2010)
Neville Bassett	Non-Executive Director (appointed 13 August 2010)
Terrence Robert Hyndes	Non-Executive Director and Company Secretary (appointed 13 August 2010)

The Company has no other executive personnel.

Summarised Remuneration of Key Management Personnel

Summary of key management personnel remuneration in the following categories are as follows:

Short-term employee benefits	108,000	200,070
Post employment benefits	-	8,000
	108,000	208,070

Refer to the Remuneration Report in the Director's Report for detailed compensation disclosure on key management personnel.

(b) Key Management Personnel Equity Holdings

Ordinary Shares Held by:	**Balance at 30 June 2011**	**Additions / (disposals)**	**Balance at 30 June 2012**
Gary Castledine	6,099,699	-	6,099,699
Neville Bassett	3,425,000	-	3,425,000
Terrence Robert Hyndes	900,000	-	900,000
	10,424,699	-	10,424,699

Options Over Ordinary Shares Held by:	**Balance at 30 June 2011**	**Additions / (disposals)**	**Balance at 30 June 2012**
Gary Castledine	3,705,252	-	3,705,252
Neville Bassett	2,000,000	-	2,000,000
Terrence Robert Hyndes	900,000	-	900,000
	6,605,252	-	6,605,252

Ordinary Shares Held by:	**Balance at 30 June 2010**	**Bal. at date of appointment**	**Additions**	**Bal. at date of resignation**	**Balance at 30 June 2011**
Gary Castledine (i)	N/A	2,700,858	3,398,841	N/A	6,099,699
Neville Bassett (i)	N/A	1,425,000	2,000,000	N/A	3,425,000
Terrence Robert Hyndes (i)	N/A	N/A	900,000	N/A	900,000
Gregg Freemantle (ii)	4,452,813	N/A	-	4,452,813	N/A
James Brett (ii)	4,452,813	N/A	-	4,452,813	N/A
Mark Freemantle (ii)	4,452,813	N/A	-	4,452,813	N/A
Graham Anderson (ii)	-	N/A	-	-	N/A
	13,358,439	4,125,858	6,298,841	13,358,439	10,424,699

Options Over Ordinary Shares Held by:	**Balance at 30 June 2010**	**Bal. at date of appointment**	**Additions**	**Bal. at date of resignation**	**Balance at 30 June 2011**
Gary Castledine (i)	N/A	306,411	3,398,841	N/A	3,705,252
Neville Bassett (i)	N/A	-	2,000,000	N/A	2,000,000
Terrence Robert Hyndes (i)	N/A	-	900,000	N/A	900,000
Gregg Freemantle (ii)	742,136	N/A	-	742,136	N/A
James Brett (ii)	742,136	N/A	-	742,136	N/A
Mark Freemantle (ii)	742,136	N/A	-	742,136	N/A
Graham Anderson (ii)	-	N/A	-	-	N/A
	2,226,408	306,411	6,298,841	2,226,408	6,605,252

(i) Placement approved by shareholders on 19 November 2010.

(ii) Gregg Freemantle, James Brett, Mark Freemantle and Graham Anderson resigned on 13 August 2010

(c) Related Party Transactions

During the financial year, fees of $25,616 (2011: $43,020) were paid to Atlas Partners Pty Ltd, of which Mr Hyndes is the principal, for accounting, secretarial and tenement administration. Atlas Partners Pty Ltd also received $21,000 (2011: $5,201) for rent and office running costs. All transactions were at market rates.

NOTE 15. EARNINGS PER SHARE	**2012** **No**	**2011** **No**
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share.	130,334,482	87,950,921
Consolidated net loss for the financial year	219,506	429,793

As at 30 June 2012, 104,333,346 options were outstanding. These were not considered to have a dilutive effect on loss from continuing ordinary operations.

NOTE 16. FINANCIAL RISK MANAGEMENT & INSTRUMENTS

Overview

The Group has an exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information and quantitative disclosures about the Group exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The board of directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables and cash and cash equivalents. The only significant concentration of credit risk for the Group is the cash and cash equivalents held with financial institutions. All material deposits are held with the major Australian banks for which the Board evaluate credit risk to be minimal.

Exposures to credit risk

The carrying amount of the Group financial assets represents the maximum credit exposure and was as follows at the reporting date:

	2012 $	2011 $
Current financial assets		
Cash and cash equivalents	1,080,208	897,901
Trade and other receivables	9,770	16,950
Total financial assets	1,089,978	914,851

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount $	Contractual cash flows $	Within 1 year $
Consolidated			
2012			
Trade and other payables	41,812	41,812	41,812
2011			
Trade and other payables	110,510	110,510	110,510

(iii) Market risk

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

Currency risk

The Group is exposed to currency risk on purchases and bank balances that are denominated in a currency other than the Group's functional currency of Australia dollar (AUD), namely the Mozambican dollar (MZN) and US dollar (USD).

The Group has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency. The Group's investment in its controlled entity is not hedged as this currency position is considered to be long term in nature.

Exposure to currency risk

The Group's exposure to foreign currency risk at balance sheet date was as follows (in AUD).

	USD
2012	
Cash and cash equivalents	3,070
2011	
Cash and cash equivalents	968

Currency risk sensitivity analysis

A 10.00% strengthening of the AUD against the following currencies at 30 June 2012 would have decreased equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2011.

	Equity	Profit or loss
2012		
USD	307	307
2011		
USD	97	97

A 10.00% weakening of AUD against the above currencies at 30 June 2012 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group does not have any external borrowings at statement of financial position date. Hence the board is of the opinion that the Group's exposure to interest rate risk is limited.

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

	Carrying amount	
	2012	**2011**
	$	**$**
Fixed rate instruments		
Cash and cash equivalents	-	-
Variable rate instruments		
Cash and cash equivalents	1,080,208	897,901

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 1.00% in interest rates at the reporting date would have an immaterial impact on the equity and profit or loss of the Group and Company.

Equity price risk

The Group is not exposed to equity price risk as it has had no equity security investments.

(iv) Capital management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities. The Group monitors capital on the basis of the gearing ratio; however there are no external borrowings as at balance date.

There were no changes in the Group's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting. The Group is not subject to externally imposed capital requirements.

(v) Fair value

The fair value of financial assets and liabilities equates to the carrying values shown in the Consolidated Statement of Financial Position.

NOTE 17. SEGMENT INFORMATION

The Group operates in one business segment being mineral exploration. The Group operates in two geographical locations being Australia and Mozambique. As the Group is focused on exploration, the Board monitors the Group based on actual versus budgeted exploration expenditure incurred by area of interest. The internal reporting framework is the most relevant to assist the Board with making decisions regarding this Group and its ongoing exploration activities, while also taking into consideration the results of exploration work that has been performed to date.

		2012 $	2011 $
Revenue from external sources		-	-
Reportable segment loss	Mozambique	(28,583)	(39,355)
	Australia	-	(484)
		(28,583)	(39,839)
Reconciliation of reportable segment loss to group loss before tax			
Reportable segment loss		(28,583)	(39,839)
Unallocated interest		48,307	16,335
Unallocated corporate expenses		(239,230)	(406,289)
Loss before tax		**(219,506)**	**(429,793)**
Reportable segment assets			
	Australia	1,109,074	927,876
	Mozambique	7,779	9,562
		1,116,853	**937,438**

Basis of accounting for purposes of reporting by operating segments

1. Accounting Policies adopted

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

2. Inter-segment transaction

Corporate charges are allocated to reporting segments based on an estimation of likely consumption of certain head office expenditure that should be used in assessing segment performance.

3. Segment Assets

Segment assets are clearly identifiable on the basis of their nature and physical location.

NOTE 18. CONTINGENT LIABILITIES

The Directors are of the opinion that there are no contingent liabilities as at 30 June 2012.

	2012 $	2011 $
NOTE 19. AUDITOR'S REMUNERATION		
Audit and review of financial statements	23,000	22,000
Other professional services	-	-
Total Auditor's Remuneration	23,000	22,000
Remuneration of other auditors of subsidiaries for:		
Audit services	-	-
Other professional services	-	-
Total Other Auditors' Remuneration	-	-

NOTE 20. OPERATING COMMITMENTS

Joint Venture Sale Agreement of Mining Concession 755C, Manica, Mozambique

The Mozambique Project is held by the Company's 98.5% owned Mozambique subsidiary, Mambas Minerais Limitada, (Mambas Minerais). Previously, Mambas Minerais held rights to both the Nhamucuarara concession (Nhamucuarara) and the Chua concession (Chua). However, following the completion of an environmental impact study, Mambas Minerais allowed Nhamucuarara to lapse.

Chua (755c) is located in the south of Mozambique in the Manica Province and is within distance of an established population supporting local administration and markets. The Manica Province is home to an extension of the Archean Odzi-Mutare Greenstone belt, which is host to gold occurrences throughout. Chua is within close proximity to the active Munhena open cast mine with extensions of the Munhena mineralisation believed to extend into Chua.

Mambas Minerais, at various times, has entered into negotiations and agreements with local and regional parties in Mozambique with the objective of realising value from the Mozambique Project through jointventuring and/or divestment. However, due to the ongoing nonperformance of commercial terms, all discussions and negotiations in respect of these agreements have been terminated.

In March 2012, Mamba appointed Mr Noel Sheppy an experienced senior geologist with significant experience in Mozambique to undertake a regulatory, geological, and economic review of Chua.

As part of this review process, a number of meetings have been held with various stakeholder groups including relevant ministers to discuss the regulatory status of the Mozambique Project, a comprehensive review of the geological and economic merits of the Mozambique Project as well as environmental and community stakeholder considerations. During this process Mambas Minerais has continued to retain local personnel in respect of the Mozambique Project.

As at the date of this Annual Report, Mamba has not had any formal confirmation as to the regulatory status of Chua. Upon completion of this review, the Board will determine the best course of action in regards to Mambas Minerais and the Mozambique Project.

Mamba Goldfields – Ennuin Project

The Ennuin Project held by Mamba's wholly owned subsidiary Mamba Goldfields Pty Ltd comprises two granted exploration licenses; E77/1896 and E77/1897 located 28km north and 32km northwest of Bullfinch, Western Australia respectively. They are considered prospective for gold and nickel due to their proximity to the Bullfinch Greenstone Belt. The minimum expenditure for the next year is $35,000 and the expenditure for period one to five years is $140,000.

Operating lease commitments

The property lease is on a short-term basis, payable monthly in advance with a month term of notice. The lease is reviewed on an annual basis.

NOTE 21. CONTROLLED ENTITIES

Mamba GoldFields Pty Ltd

Country of Incorporation: Australia
Percentage Owned: 100%

Mambas Minerais Limitada

Country of Incorporation: Mozambique
Percentage Owned: 97.5%

The remaining 2.5% is held by Mozambique residents.

NOTE 22. PARENT ENTITY INFORMATION	2012 $	2011 $
Current assets	1,082,200	922,203
Non-current assets	26,153	-
Total Assets	1,108,353	922,203
Current liabilities	41,813	110,512
Total liabilities	41,813	110,512
Net assets	1,066,540	811,691
Issued capital	6,904,372	6,436,752
Accumulated losses	(5,837,832)	(5,625,061)
Total Equity	1,066,540	811,691
Loss of parent entity	(212,771)	(396,638)
Other comprehensive income	-	-
Total comprehensive loss of the parent entity	(212,771)	(396,638)

NOTE 23. EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date:

- On 30 July 2012 Mamba announced that it had entered into an agreement to acquire the Snelgrove Lake Project, a highly prospective Iron Ore project located in Canada's premier iron ore district, the Labrador Trough in Newfoundland (refer Review of Operations);
- On 31 August 2012, The Company lodged a Prospectus to raise $3,150,000 to provide funds towards exploration on the Snelgrove Lake Project;
- On 10 September 2012, shareholders approved:
  - (i) a change in the nature and scale of the Company's activities;
  - (ii) a consolidation of the Company's issued capital on a 1 for 5 basis;
  - (iii) the issue of 17,000,000 options on a post consolidation basis, as part of the Snelgrove Lake Project acquisition;
  - (iv) the creation of a new class of securities;
  - (v) the issue of a total of 32,000,000 performance shares as part of the Snelgrove Lake Project acquisition; and
  - (vi) the capital raising described above.

There are no other matters or circumstances that have arisen since 30 June 2012 that have or may significantly affect the operations, results, or state of affairs of the Company in future financial years.

STOCK EXCHANGE INFORMATION

The additional information set out below relates to shares and options as at 26 September 2012

DISTRIBUTION OF EQUITY SECURITY HOLDERS

Size of Holding	Ordinary Shares	Listed Options
1 to 1,000	26	8
1,001 to 5,000	24	84
5,001 to 10,000	62	26
10,001 to 100,000	236	27
100,000 and over	125	52
	473	197

ORDINARY SHARES

SUBSTANTIAL SHARE HOLDERS

Name	Ordinary Shares	% of Issued Capital
Nil	Nil	Nil

VOTING RIGHTS

All ordinary shares issued by the Company carry one vote per share without restriction.

TWENTY LARGEST SHAREHOLDERS

	Name of Shareholder	No of Shares	%
1.	PATOIR JOSEPHINE K	6,255,000	4.98
2.	ARGYLE GAVIN JOHN	5,983,333	4.57
3.	NEFCO NOM PL	5,500,000	4.20
4.	PERIZIA INV PL	4,700,858	3.59
5.	QUEENSWAY INV PL	4,698,334	3.59
6.	BARQUE INV PL	3,925,033	3.00
7.	FLEUBAIX PL	3,500,000	2.67
8.	MANDEVILLA PL	3,425,000	2.62
9.	ZERO NOM PL	3,333,334	2.55
10.	SINBAD JACKSON PL	2,950,000	2.25
11.	LYONS TIMOTHY GUY + H M	2,882,323	2.20
12.	BLUEBASE PL	2,776,000	2.12
13.	BASS CHARLES B + S C	2,500,000	1.91
14.	QUARTZ MOUNTAIN MINING PL	2,500,000	1.91
15.	LIEW SEN	2,464,963	1.88
16.	SORIA NOM PL	2,161,953	1.65
17.	KAPIRI HLDGS PL	2,050,000	1.57
18.	PERSHING AUST NOM PL	2,011,477	1.54
19.	KALGOORLIE MINE MGNT PL	2,000,000	1.53
20.	HEDLEY KENNETH WILLIAM	2,000,000	1.53

OPTIONS OVER ORDINARY SHARES

TWENTY LARGEST OPTION HOLDERS

	Name of Shareholder	No of Shares	%
1.	ARGYLE GAVIN JOHN	19,539,492	18.73
2.	NEFCO NOM PL	14,326,195	13.73
3.	ROWE ANGELA MAREE	6,100,000	5.85
4.	GAB S/F PL	5,783,333	5.54
5.	BLUEBASE PL	5,100,000	4.89
6.	FLEUBAIX PL	5,000,000	4.79
7.	RESOURCEFUL INV PL	5,000,000	4.79
8.	QUEENSWAY INV PL	4,385,834	4.20
9.	ZERO NOM PL	3,333,334	3.19
10.	QUARTZ MOUNTAIN MINING PL	3,000,000	2.88
11.	KAPIRI HLDGS PL	2,778,469	2.66
12.	PERIZIA INV PL	2,306,411	2.21
13.	MANDEVILLA PL	2,037,500	1.95
14.	MATTHEWS TRAVIS NORMAN	1,900,000	1.82
15.	TT NICHOLLS PL	1,600,000	1.53
16.	SINBAD JACKSON PL	1,500,000	1.44
17.	CASTLEDINE CANDICE PETA	1,398,841	1.34
18.	GILL PAUL ANTHONY + C M	1,200,000	1.15
19.	KING ARIEL EDWARD	1,200,000	1.15
20.	IMPRESSIVE RACING PL	1,100,000	1.05

SCHEDULE OF TENEMENTS

Lease	**Lease Status**	**Project**	**Holders**
E77/1896	Granted	Ennuin	Mamba Goldfields Pty Ltd
E77/1897	Granted	Ennuin	Mamba Goldfields Pty Ltd
P77/4041	Application	Ennuin	Mamba Goldfields Pty Ltd
P77/4042	Application	Ennuin	Mamba Goldfields Pty Ltd

CORPORATE GOVERNANCE STATEMENT

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Mamba have adhered to the principles of corporate governance. A description of the main corporate governance practices is set out below. Unless otherwise stated, the practices were in place for the entire year.

Board of Directors

The Board of Directors of the Company is responsible for the corporate governance of the Company. The Board guides and monitors the business and affairs of the Company on behalf of shareholders by whom they are elected and to whom they are accountable.

As the Board acts on behalf of shareholders, it seeks to identify the expectations of shareholders, as well as other ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The primary responsibilities of the Board include:

- formulation and approval of strategic direction, objectives and goals of the Company;
- monitoring the financial performance of the Company, including approval of the Company's financial statements;
- ensuring that adequate internal control systems and procedures exist and that compliance with these systems and procedures is maintained;
- the identification of significant business risk and ensuring that such risks are adequately managed;
- the review of performance and remuneration of Executive Directors; and
- the establishment and maintenance of appropriate ethical standards.

Post appointment (13 August 2010), the new board focused on minimising the Company's overheads. Due to the minimal nature of the Company operations, Mamba does not engage full time management personnel and the role of Chief Executive Officer and the associated responsibilities of the operations and administration of the Company is carried out by care of the director, Robert Hyndes at the Direction of the Board. The Company's operational performance is assessed on an ongoing basis by the Board, to ensure that the operation and administration of the Company are being performed in alignment with expectations and risks identified by the Board.

Independent Directors

Under ASX guidelines none of the previous Board (resigned 13 August 2010) was considered to be an independent Director. Mr Mark Freemantle and Mr James Brett were both Executives Directors and shareholders and Mr Gregg Freemantle was a shareholder. The Company appointed a new Board of Directors on 13 August 2010 upon resignation of the previous Board members. In accordance to ASX Guidelines it is considered that all of the Directors of the Company meet the criteria of an Independent Director.

Communication to Market & Shareholders

The Board aims to ensure that shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the Directors and the Company. Information is communicated to shareholders and the market through:

- the Annual Report which is distributed to all shareholders;
- the periodic reports which are lodged with ASX and available for shareholder scrutiny;
- other announcements made in accordance with ASX Listing Rules;
- special purpose information memoranda issued to shareholders as appropriate; and
- the Annual General Meeting ("AGM") and other meetings called to obtain approval for Board action as appropriate.

Board Composition

When the need for a new Director is identified, selection is based on the skills and experience of perspective Directors, having regard to the present and future needs of the Company. Any Director so appointed must then stand for election at the next Annual General Meeting of the Company.

Terms of Appointment as a Director

The constitution of the Company provides that a Director may not retain office for more than three calendar years or beyond the third Annual General Meeting following his or her election, whichever is longer, without submitting for re-election. One third of the Directors must retire each year and are eligible for re-election. The Directors who retire by rotation at each Annual General Meeting are those with the longest length of time in office since their appointment or last election.

Workplace Diversity Policy

Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent. Accordingly, the Company has established a diversity policy which is available on the Company's website.

The Board has a commitment to promoting a corporate culture that is supportive of diversity and encourages the transparency of Board processes, review and appointment of Directors. The Board is responsible for developing policies in relation to the achievement of measurable diversity objectives and the extent to which they will be linked to the Key Performance Indicators for the Board, Managing Director and senior executives.

The Company's strategies may include:

- recruiting from a diverse range of candidates for all positions, including senior executive roles and Board positions;
- reviewing pre-existing succession plans to ensure that there is a focus on diversity;
- encourage female participation across a range of roles across the Company;
- review and report on the relative proportion of women and men in the workforce at all levels of the Company;
- articulate a corporate culture which supports workplace diversity and in particular, recognizes that employees at all levels of the Company may have domestic responsibilities;
- develop programs to encourage a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development; and
- any other strategies that the Board or the Nomination Committee develops from time to time.

Board Committee

The Board has established separate committees for audit, board nomination and remuneration. However, in view of the current size of the Company and the nature of its activities, the committees currently comprise all members of the Board. Therefore effectively audit matters, the nomination of new Directors and the setting, or review, of remuneration levels of Directors and senior executives are reviewed by the Board as a whole and approved by resolution of the Board (with abstentions for relevant Directors where there is a conflict of interest). Where the Board considers that particular expertise or information is required, which is not available from within the Board, appropriate external advice may be taken and received prior to a final decision being made by the Board.

Remuneration

The Constitution of the Company provides that the non-executive Directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting. The current aggregate maximum is $150,000. A Director may be paid fees or other amounts as the Directors may determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director. A Director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Independent Professional Advice

Directors have the right, in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. Prior approval of the Chairman is required, which will not be unreasonably withheld.

Share Trading

The Board has adopted a Securities Trading Policy, which complies with the requirements of Listing Rule 12.12, which regulates dealings by Directors, officers and employees in securities issued by the Company.

The policy, which is available on the Company's website, includes the Company's closed periods, restrictions on trading that apply to the Company's key management personal, trading that is not subject to the policy, exceptional circumstances in which key management personnel may be permitted to trade during a prohibited period with prior written clearance and the procedure for obtaining written clearance. The policy provides that employees, directors and officers must not enter into transactions or arrangements, which operate to limit the economic risk of their security holding in the Company without first seeking and obtaining written acknowledgement from the Board.

Code of Conduct

In view of the size of the Company and the nature of its activities, the Board has considered that an informal code of conduct is appropriate to guide executives, management and employees in carrying out their duties and responsibilities.

MAMBA MINERALS LIMITED
CORPORATE GOVERNANCE STATEMENT

In fulfilling its obligations and responsibilities to its various stakeholders, the Board of Mamba Minerals Limited ("Company") is a strong advocate of corporate governance. The Board has adopted corporate governance policies and practices consistent with the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations 2nd edition" (Recommendations) where considered appropriate for a company of the Company's size and nature.

Principal No	Recommendation	Compliance	Reason for Non-compliance
1.1	Establish the functions reserved to the Board and those delegated to senior executives and disclose those functions.	The Board has adopted a formal board charter setting out the responsibilities of the Board. This charter can be accessed at the Company's website.	Not applicable
1.2	Disclose the process for evaluating the performance of senior executives.	The Board will meet annually to review the performance of executives. The senior executives' performance is assessed against the performance of the Company as a whole. The Board has adopted a board performance evaluation policy which can be accessed at the Company's website.	Not applicable
1.3	Provide the information indicated in the Guide to reporting on Principal 1.	The information will be disclosed in the Annual Report.	Not applicable
2.1	A majority of the Board should be independent Directors.	The Board has considered the guidance to Principle 2: *Structure the Board to Add Value* and in particular, Box 2.1, which contains a list of "relationships affecting independent status". The Board comprises of 3 Non-Executive Directors who are all considered to be Independent in accordance to the relevant ASX Guidelines.	Not applicable
2.2	The chair should be an independent Director.	The Company's current Non-Executive Chairman Mr. Gary Castledine is considered an Independent Director.	Not applicable
2.3	The roles of Chair and Chief Executive Officer should not be exercised by the same individual.	The Company's Chairman and Chief Executive Officer is not the same person.	Not applicable
2.4	The Board should establish a nomination committee.	The Company currently does not have a separate Nomination Committee. The roles and responsibilities of a Nomination Committee are currently undertaken by the full Board. This charter can be assessed at the Company's website.	The Board considers that the Company is not currently of a size to justify the formation of a nomination committee. The board as a whole undertakes the process of reviewing the skill base and experience of existing directors to enable identification or attributes required in new directors. Where appropriate independent consultants are engaged to identify possible new candidates for the Board.

Principal No	Recommendation	Compliance	Reason for Non-compliance
2.4 (Cont.)			The Board acknowledges this does not comply with recommendation 2.4 of the ASX Corporate Governance Guidelines. If the Company's activities increase in size, scope and nature, the appointment of a nomination committee will be reviewed by the Board and implemented if appropriate.
2.6	Provide the information indicated in the Guide to reporting on Principle 2.	The skills, experience and expertise relevant to the position held by each Director will be disclosed in the Directors' Report which forms part of the Annual Report. The Directors are entitled to take independent professional advice at the expense of the Company. The period of office held by each Director will be disclosed in the Directors' Report which forms part of the Annual Report. A statement will be included in the Annual Report as to the mix of skills and diversity for which the Board is looking to achieve in membership of the Board.	Not applicable
3.1	Establish a code of conduct and disclose the code for a summary of the code as to: • the practice necessary to maintain confidence in the Company's integrity; • the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; • the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	The Company has adopted a Code of Conduct, which can be accessed at the Company's website.	Not applicable
3.2	Establish a policy concerning diversity and disclose the policy or a summary of that policy.	The Company has adopted a Diversity Policy, which can be accessed at the Company's website.	
3.3	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.	The information will be disclosed in the Annual Report.	Due to the current size, nature and scale of the Company's activities the Board has not yet developed objectives regarding gender diversity. As the size and scale of the company grows the Board will set and aim to achieve gender diversity objectives as director and senior executive positions become vacant and appropriately qualified candidates become available.

Principal No	Recommendation	Compliance	Reason for Non-compliance
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organization, women in senior executive positions and women on the Board.	The information will be disclosed in the Annual Report.	At the date of this report the Company has no executives or full-time employees. No women are currently represented on the Board.
3.5	Provide the information indicated in the Guide to reporting on Principle.	The information will be disclosed in the Annual Report.	Not applicable
4.1	The Board should establish an audit committee.	The role of the audit committee is undertaken by the Board.	Not applicable
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 chair, who is not chair of the Board; • has at least three members.	The Board considers that Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an audit committee. The Board as a whole undertakes the selection and proper application of accounting policies, identification and management of risk and the review of the operation of the internal control systems.	The Board acknowledges this does not comply with recommendation 4.2 of the ASX Corporate Governance Guidelines. If the Company's activities increase in size, scope and nature, the appointment of an audit committee will be reviewed by the board and implemented if appropriate. The Non-Executive Directors and Company Secretary are required to sign a declaration addressing the integrity of the financial statements and maintenance of financial records in accordance with s295A of the Corporations Act.
4.3	The audit committee should have a formal charter.	The formal charter can be accessed at the Company's website.	Not applicable
4.4	Provide the information in the Guide to reporting on Principle 4.	The audit committee will meet twice in each year, before sign off of the annual and half year financial statements.	Not applicable
5.1	Establish written policies and procedures 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.	The Company has adopted a Continuous Disclosure Policy which can be accessed at the Company's website.	Not applicable
5.2	Provide the information indicated in the Guide to reporting on Principle 5.	The information will be disclosed in the Annual Report.	Not applicable
6.1	Design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose that policy or a summary of that policy.	The Company has adopted a Shareholder Communications Policy which can be accessed at the Company's website.	Not applicable
6.2	Provide the information indicated in the Guide to reporting on Principle 6.	The information will be disclosed in the Annual Report.	Not applicable

Principal No	Recommendation	Compliance	Reason for Non-compliance
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.	The Chief Executive Officer and Chief Financial Officer (equivalent) report monthly to the board on the areas they are responsible for, including material business risks and provide an annual written report to the Board summarising the effectiveness of the Company's management of material business risks.	Not applicable
7.3	The Board should disclose whether it has received assurance from the Chief Executive Officer (or equivalent) and the Chief Financial Officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	The Board will receive assurance in the form of a declaration from the Chief Executive Officer and Chief Financial Officer (equivalent) as required by the Corporations Act.	Not applicable
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	The information will be disclosed in the Annual Report.	Not applicable
8.1	The Board should establish a remuneration committee.	The Company has not established a separate remuneration committee. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.	Given the size and nature of the Company, the Board considers the composition of the Remuneration Committee is appropriate at this stage.
8.2	The Remuneration Committee should be structured so that it: • consists of a majority of independent directors; • is chaired by an independent director; and • has at least three members.	The Company has not established a separate remuneration committee. The roles and responsibilities of a Remuneration and Nomination Committee are currently undertaken by the full Board.	Given the size and nature of the Company, the Board considers the composition of the Remuneration Committee is appropriate at this stage
8.3	Companies should clearly distinguish the structure of Non-Executive Directors' remuneration from that of Executive Directors and senior executives.	The structure of non-executive Directors' remuneration is clearly distinguished from that of Executive Directors and senior executives, as described in the Directors' Report which forms part of the Company's Annual Report.	Not applicable
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8.	The information will be disclosed in the Annual Report.	Not applicable