



Australia Oriental Minerals NL ABN 84 010 126 708
and controlled entities

Interim Financial Report
For the half year ended 30 June 2009

Interim Financial Report For the half year ended 30 June 2009

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Corporate Directory

Directors	<p>Mr Patrick J D Elliott Mr Chan Kim Fan Mr Norman Ip Ka Cheung Mr James A Walls</p> <p>Dato' Seri Dr Mohd Ajib Anuar Mr Choo Mun Keong Mr Geoffrey Andrews</p>	<p>- Chairman - Executive Director - Non Executive Director - Non Executive Director (passed away 30 September 2008) - Non Executive Director - Non Executive Director - Non Executive Director (appointed 28 January 2009)</p>
Company Secretary	Mr Andrew Bursill	
Registered Office	Suite 206, 1 Katherine Street Chatswood NSW 2067	
Bankers	National Australia Bank 255 George Street Sydney NSW 2000	
Solicitor	Addisons Lawyers Level 12 60 Carrington Street Sydney NSW 2000	
Auditor	DFK – Richard Hill Level 11 32 Martin Place Sydney NSW 2000	
Share Registry	Registries Limited Level 2 28 Margaret Street Sydney NSW 2000	
ASX Code	AOM	

Directors' Report

The Directors of Australia Oriental Minerals NL ("AOM") submit herewith the half-year report ended 30 June 2009.

Directors

The names of directors who held office during the whole of the half-year and up to the date of this report:

Mr Patrick J D Elliott	- Chairman
Mr Chan Kim Fan	- Executive Director
Mr Norman Ip Ka Cheung	- Non Executive Director
Dato' Seri Dr Mohd Ajib Anuar	- Non Executive Director
Mr Choo Mun Keong	- Non Executive Director
Mr Geoffrey Andrews	- Non Executive Director (appointed 28 January 2009)

Review of operations

The Company incurred a loss of \$612,770 (2008: loss of \$214,987) after income tax for the half year.

Section 1 – Exploration Activities in New South Wales and Queensland

The company continued its joint venture exploration activities in both New South Wales and Queensland.

New South Wales

Kiawarra EL 6269 – (Silver Mines Ltd Joint Venture)

There was no work on EL 6269 during the reporting period, although the Company reached an agreement with Silver Mines Limited to extend the current farm-in arrangement by a further 6 months, ending in November 2009.

Silver Mines Limited intends to carry out Induced Polarization ("IP") and Transient Electro-Magnetism ("TEM") techniques as well as further local geochemical surveys and mapping on the tenement targeting silver and base metal anomalies identified to date in the third quarter of 2009. This will be followed by IP and TEM surveys over the historic Walla Walla workings to determine if mineralization extends at depth and along strike of the historically exploited zones.

Torrington EL 6389 (YTC Resources Ltd Joint Venture)

Work during the reporting period consisted of data compilation and target generation with six zones of greisen and sheeted vein tin mineralisation identified at East Grampians for follow up programs.

The Company has reached an agreement with YTC Resources Limited to extend the original Heads of Agreement ("HOA") for a further 2 years to March 2011.

Emmaville EL 6431 and EL 6384

There was no work on EL 6431 and EL 6384 during the reporting period. The Company continued to seek expressions of interest from potential joint venture parties for these tenements. Renewal applications were made to extend these tenements for a further 2 years.

Directors report (continued)

Review of operations (continued)

Queensland

Connors Range Joint Venture EPMs 11134 and 12361

The Connors Range Project is a joint venture with SmartTrans Holdings Limited ("SmartTrans") and Australia Oriental Minerals NL concerning two tenements located in the northern Lachlan-New England Fold Belt.

Renewal applications for these tenements have been lodged with the Mines Department.

Midas Resources Limited withdrew from the joint venture in December 2008 and, subsequent to their withdrawal, there has been no further field work on this project.

Broadsound Joint Venture EPMs 10006 and 12546 - (SmartTrans/AOM)

On 21 May 2009, Newcrest Mining Limited advised of their decision to withdraw from the joint venture, noting that the Mount Mackenzie prospect does not fit their target criteria. Following Newcrest's withdrawal, the project reverted to the provisions of the original Connors Arch JV where equity levels remain at 60/40:SmartTrans/AOM and both parties are contributing according to their equity.

The Company's joint venture partner, SmartTrans Holdings Limited ("SmartTrans"), advised in its release to the Australian Securities Exchange ("ASX") on 29 April 2009, that:-

"SmartTrans believes there is significant potential for smaller high grade deposits at Mount Mackenzie. Such deposits may suit other mining companies and SmartTrans will be seeking a suitable joint venture partner from the ranks of Australia's current list of active gold producers and explorers."

A reconnaissance field trip to the Mt Mackenzie project was completed during the first quarter of 2009. A number of magnetic features, interpreted as remnant magnetised possible Permo-Carboniferous breccias, as well as an interesting structural flexure, were visited. No Permo-Carboniferous breccias (mineralised or otherwise) were found to be present.

An earlier drilling program at Mount Mackenzie focussed on a relatively small zone that comprises less than ten percent of the project area. This mineralisation may appear to be locally closed off by this drilling but there are other high-sulphidation systems occurring within the tenement that may require evaluation in due course.

Marlborough Fault Project EPMs 14500, 14501 and 14502

The Connors Arch Joint Venture with SmartTrans comprises three tenements that have the potential to develop large porphyry-style deposits and high grade structurally-controlled gold deposits in dilational fault irregularities and fault intersections.

SmartTrans is continuing with its review of the tenements to assess their potential for porphyry-style mineralisation. There was no field work during the reporting period.

Directors report (continued)

Review of operations (continued)

Tenements

As per regulatory requirement, partial relinquishments of EPM 14500 and EPM 14501 occurred during the reporting period. Application for the exploration tenement west of Mount Mackenzie (EPM 17515) was approved in May for a period of 5 years.

The information in Section 1 of this report that relates to Exploration Results is based on information compiled by Phillip Kimber, who is a Member of the Australasian Institute of Mining and Metallurgy. Phillip Kimber has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Kimber consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Section 2 - Asiatic Coal Pte Limited

During the prior year, the Company acquired a 30% interest in Asiatic Coal Pte Limited ("ACPL") for US\$6.75m.

ACPL has rights in a mining concession of approximately 4,005 hectares located in the Central Kalimantan Province, Indonesia. The mining concession is located in an area of well known Indonesian coal basins and within the known region of Anthracite/High Bituminous coal in Kalimantan.

Subsequent to the acquisition, ACPL retained PT SMG Consultants ("SMGC") to undertake a report in relation to the mining concessions. SMGC advised that there is a total of 500,000 tonnes of inferred coal resource within the concession.

The SMGC report notes that inferred coal resource has been calculated in accordance with the JORC code stating that:-

"... the area is affected by a large amount of tightly spaced fold and fault structures. Complex faulting and folding in the area has been observed in the field, in existing highwalls and in cross sections of drilling results. This structural complexity has resulted in the area only containing inferred JORC resources."

The report notes that the coal quality at the concession can be summarised as high ash, high energy, low moisture and varying (moderate to high) sulphur.

In May 2009, the Company was advised by ACPL that mining operations had been suspended at Muara Teweh as a result of sub-economic returns due to a combination of the weak global economic outlook and the complex geology resulting in a lower than expected inferred coal resource.

ACPL advised that the suspension of operations will be reviewed at regular intervals until conditions improve to the extent that operations may be recommenced.

The information in Section 2 of this report is based on information compiled by Mark Manners, who is a Member of the Australasian Institute of Mining and Metallurgy. Mark Manners has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mark Manners consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Directors report (continued)

Review of operations (continued)

Section 3 - Corporate Activities

On 25 August 2009, the Company announced the issue and allotment of 1,455,556,218 new shares as part of the Company's renounceable rights issue. The rights issue resulted in the Company receiving \$351,311 in new capital and retiring the debt principal and related interest owing to MSC totalling \$5,470,914.

At the completion of the rights issue, the Company has 2,181,078,901 shares on issue.

Auditor's independence declaration

The auditor's independence declaration is included on page 7 of the half-year report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors



Mr Chan Kim Fan
Executive Director
11 September 2009



DFK - Richard Hill

CHARTERED ACCOUNTANTS &
BUSINESS ADVISERS

Director:
RICHARD L.S. HILL
B.Com, FCA

Associate Director:

DAVID G. SHARP
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**AUSTRALIA ORIENTAL MINERALS NL ABN 84 010 126 708 AND CONTROLLED ENTITIES
AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AUSTRALIA ORIENTAL MINERALS NL**

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2009 there have been:

- (a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

Name of Firm:

DFK Richard Hill

Address:

Level 11, 32 Martin Place Sydney 2000

Name of Partner:

Richard Hill

Date: 11 September 2009



Chartered Accountants
Liability limited by the Accountants
Scheme Approved under the Professional
Standards Act 1994 (NSW)

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AUSTRALIA ORIENTAL MINERALS NL ABN 84 010 126 708 INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AUSTRALIA ORIENTAL MINERALS NL AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompany half-year financial report of Australia Oriental Minerals NL and Controlled Entities (the consolidated entity) which comprises the condensed statement of financial position as at 30 June 2009, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows for the half-year ended on that date, the accounting policies, and other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Australia Oriental Minerals NL (the company) are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standard (including the Australian Accounting Interpretations) and the *Corporation Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of an Interim Financial Report Performed by the Independent Auditor of the Entity in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporation Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134: Interim Financial Report and the Corporation Regulation 2001. As the auditor of Australia Oriental Minerals NL and Controlled Entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of the consolidated entity for the half-year ended 30 June 2009 included on the website of Australia Oriental Minerals NL. The directors of the company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information.



Chartered Accountants

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AUSTRALIA ORIENTAL MINERALS NL ABN 84 010 126 708
INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AUSTRALIA ORIENTAL MINERALS NL AND IT'S CONTROLLED ENTITIES

included in the reviewed financial report presented on the company's website.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. we confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Australia Oriental Minerals NL and Controlled Entities on 11 September 2009, would be in the terms if provided to the directors as at the date of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Australia Oriental Minerals NL and Controlled Entities is not in accordance with the *Corporations Act 2001* including:

- A giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date; and
- B complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Name of firm: DFK RICHARD HILL PTY LTD
Name of partner: RICHARD HILL
Address Level 11, 32 Martin Pl Sydney 2000
Date: 11 September, 2009



Chartered Accountants

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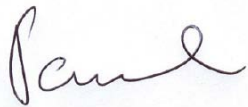
DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 11 to 17 are in accordance with the Corporations Act 2001, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 30 June 2009 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

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

On behalf of the Directors



Chan Kim Fan
Executive Director
11 September 2009

Australia Oriental Minerals NL ABN 84 010 126 708 and controlled entities
Consolidated Statement of Comprehensive Income
For the Half-Year ended 30 June 2009



	Consolidated Group	
	30 June 2009	30 June 2008
	\$	\$
Revenue	-	-
Interest income	1,911	87,360
Employee benefits expense	(50,000)	(65,600)
Depreciation expenses	(515)	(416)
Finance costs	(208,482)	-
Impairment of exploration assets	(19,796)	(24,292)
Other expenses	(228,605)	(212,039)
Profit (loss) before income tax	(505,487)	(214,987)
Income tax expense	-	-
Profit (loss) for the half-year	(505,487)	(214,987)
Other comprehensive income		
Share of other comprehensive income (losses) of associates	(107,283)	-
Other comprehensive income for the year, net of tax	(107,283)	-
Total comprehensive income the half-year	(612,770)	(214,987)
Profit (loss) attributable to members of Australia Oriental Minerals NL	(612,770)	(214,987)
Earnings per share	Cents	Cents
Basic earnings per share	(0.08)	(0.03)
Diluted earnings per share	(0.08)	(0.03)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Australia Oriental Minerals NL ABN 84 010 126 708 and controlled entities
Consolidated Financial Position
As at 30 June 2009



	Note	Consolidated Group	
		30 June 2009	31 Dec 2008
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		291,198	567,691
Trade and other receivables		17,769	17,992
TOTAL CURRENT ASSETS		308,967	585,683
NON-CURRENT ASSETS			
Trade and other receivables		115,000	115,000
Property, plant and equipment		17,075	17,591
Other non-current assets		1,762,596	1,749,577
Investments accounted for using the equity method		7,436,551	7,542,889
TOTAL NON-CURRENT ASSETS		9,331,222	9,425,057
TOTAL ASSETS		9,640,189	10,010,740
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	5,691,072	5,446,471
Short-term provisions		30,000	30,000
TOTAL CURRENT LIABILITIES		5,721,072	5,476,471
NON-CURRENT LIABILITIES			
Long-term provisions		50,000	50,000
TOTAL NON-CURRENT LIABILITIES		50,000	50,000
TOTAL LIABILITIES		5,771,072	5,526,471
NET ASSETS		3,869,117	4,484,269
EQUITY			
Parent entity interest			
Issued capital	5	39,646,708	39,649,090
Reserves		177,850	177,850
Retained earnings (losses)		(35,955,441)	(35,342,671)
TOTAL EQUITY		3,869,117	4,484,269

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

Australia Oriental Minerals NL ABN 84 010 126 708 and controlled entities
Consolidated Statement of Changes in Equity
For the half-year ended 30 June 2009



Consolidated Group	Issued Capital Ordinary Share	Share-Based Payment Reserve	Options Reserve	Retained Earnings (Losses)	Total
	\$	\$	\$	\$	\$
Balance at 31.12.2007	38,709,018	61,750	-	(34,561,026)	4,209,742
Total comprehensive income for the period	-	-	-	(214,987)	(214,987)
Subtotal	-	-	-	(214,987)	(214,987)
Dividends paid or provided for	-	-	-	-	-
Share issued during the period	946,334	-	-	-	946,334
Capital raising costs	(6,262)	-	-	-	(6,262)
Balance at 30.6.2008	39,649,090	61,750	-	(34,776,013)	4,934,827
Balance at 31.12.2008	39,649,090	177,850	-	(35,342,671)	4,484,269
Total comprehensive income for the period	-	-	-	(612,770)	(612,770)
Subtotal	-	-	-	(612,770)	(612,770)
Dividends paid or provided for	-	-	-	-	-
Share issued during the period	-	-	-	-	-
Capital raising costs	(2,382)	-	-	-	(2,382)
Balance at 30.6.2009	39,646,708	177,850	-	(35,955,441)	3,869,117

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Australia Oriental Minerals NL ABN 84 010 126 708 and controlled entities
Consolidated Cash Flow Statement
For the half-year ended 30 June 2009



	Consolidated Group	
	30 June 2009	30 June 2008
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	-
Payments to suppliers and employees	(212,805)	(224,630)
Interest received	1,911	111,701
Interest paid	-	-
Taxes (paid) received	-	8,814
Net cash used in/(provided by) operating activities	(210,894)	(104,115)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	-	(2,991)
Payments of exploration expenditure capitalised	(62,272)	(78,588)
Payments for investment	(945)	-
Net cash used in/(provided by) investing activities	(63,217)	(81,579)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	944,933
Payments for cost of acquiring shares	(2,382)	(6,262)
Net cash used in/(provided by) financing activities	(2,382)	938,671
NET INCREASE (DECREASE) IN CASH HELD	(276,493)	752,977
Cash and cash equivalents at the beginning of the reporting period	567,691	2,675,436
Cash and cash equivalents at the end of period	291,198	3,428,413

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

1. Basis of preparation

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Australia Oriental Minerals NL and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2008, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statement except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not Previously Applied

The Group has adopted the following new and revised Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- The replacement of Income Statement with Statement of Comprehensive Income. Items of income and expenses not recognised in profit or loss are now disclosed as components of "other comprehensive income". In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- The adoption of the separate income statement/single statement approach to the presentation of the Statement of Comprehensive Income;
- Other financial statements are renamed in accordance with the Standard; and
- Presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

2. Going concern basis

The financial report has been prepared on the going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The directors believe this basis to be appropriate as the company will be able to raise additional funding as and when required.

3. Segment information

The entity only operates in one business segment, the exploration of mineral resources, and one geographical segment, Australia.

4. Results for the period

The Company incurred a loss of \$612,770 (2008: loss of \$214,987).

The Company's net asset position was \$3,869,117 (2008: \$4,484,269).

The Company's cash outflow was \$276,493 (2008: cash inflow of \$752,977).

5. Issued capital

		2009 \$	2008 \$
(a) Share Capital			
Ordinary shares fully paid		\$39,646,708	39,649,090
(b) Movement in share capital during the half year			
1 Jan 2009 Opening Balance	Shares	Issue Price	Amount \$
Less: capital raising costs	725,522,683		39,649,090
			(2,382)
Balance at 30 June 2009	725,522,683		39,646,708

(c) Ordinary Shares

All shares currently on issue are fully paid up. Ordinary shares entitle the holder to participate and the proceeds on the winding up if the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary share present at the meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Options

On 31 October 2008, as approved by the shareholders, 43,000,000 share options were granted on 28 November 2008 to Directors and Company Secretary to form part of their remuneration. These options have an exercise price of \$0.03 and expire on the 31 December 2013.

	Number	2009 \$	2008 \$
Option Reserve			
Granted on 6 July 2005	19,000,000	-	61,750
Granted on 28 November 2008	43,000,000	116,100	-

The 19,000,000 options expired on 30 June 2008. None of the options were exercised prior to expiry.

6. Contingencies and commitments

In order to maintain the exploration, prospecting and mining tenements the companies are committed to meeting conditions under which permits were granted and also meeting commitments under the option agreements entered into by the company.

Region	Granted tenements ⁽¹⁾	Total potential commitment
Queensland	-	-
New South Wales	\$36,113	\$36,113
Total	\$36,113	\$36,113

Notes

⁽¹⁾ Some expenditure obligations on granted tenements in Queensland are being met by joint venture parties. As a result, AOM's interest in these joint ventures is diluting.

7. Trade and other receivables

Deposits on tenements were originally classified in the balance sheet as other assets. This is now reclassified separately as trade and other receivables in the statement of financial position.

8. Events subsequent to reporting date

On 25 August 2009, the Company announced the issue and allotment of 1,455,556,218 new shares as part of the Company's renounceable rights issue. The rights issue resulted in the Company receiving \$351,311 in new capital and retiring the debt principle and related interest owing to Malaysia Smelting Corporation (MSC) totalling \$5,470,914.

At the completion of the rights issue, the Company has 2,181,078,901 shares on issue.

Apart from the above, no matters or circumstances have arisen since 30 June 2009 that significantly affected or may significantly affect:

- a) the consolidated entity's operation in future financial years, or
- b) the result of those operations in future financial years, or
- c) the consolidated entity's state of affairs in future financial years.