

Goldstream Mining NL

ABN 67 009 129 560

Annual Financial Report

for the year ended 30 June 2007

Corporate Information

ABN 67 009 129 560

Directors

J C Jooste-Jacobs (Non-Executive Chairman)

D R McBain (Managing Director)

T A Robson (Non-Executive Director)

S B Hunt (Non-Executive Director)

Company Secretary

K G France

Registered Office

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Solicitors

Mizen + Mizen

69 Mount Street

WEST PERTH WA 6005

Bankers

Commonwealth Bank of Australia Limited

Bank of Western Australia Limited

National Bank of Commerce Limited

Share Register

Security Transfer Registrars Pty Ltd

770 Canning Highway

APPLECROSS WA 6153

Telephone: (08) 9315 0933

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Auditors

Stantons International

Level 1, 1 Havelock Street

WEST PERTH WA 6005

Internet Address

www.goldstreammining.com.au

ASX Code

GDM

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Directors' Report

The Board of Directors of Goldstream Mining NL have pleasure in presenting their report on the Company and its controlled entities for the year ended 30 June 2007.

The names and particulars of the qualifications, experience and special responsibility of the director's in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Johann Christiaan Jooste-Jacobs, B.Acc., MBL., FCA, FAICD

Non Executive Chairman – Age 53 (appointed 12 August 2007)

Johann Jacobs has over 25 years experience associated with the resources industry where he has managed established companies, acquisitions, expansions or start-up mining operations in Australia, South Africa and Indonesia. His more recent roles have included Managing Director of the ASX-listed coal producer CIM Resources Ltd, and Managing Director of the ASX-listed mineral sand developer Australian Zircon NL, where he continues as a Non Executive Director. Mr Jacobs holds various directorships in private resource focused companies active in Australia and internationally. He was appointed a member of the audit committee on 11 September 2007.

Duncan Robert McBain, B.Sc.(Hons) Geology

Managing Director - Age 54 (appointed 30 March 2006. Previously also Chairman appointed 30 March 2006 resigned 12 August 2007)

Duncan McBain has over 30 years experience associated with the resources industry in geological and analyst roles over a wide range of commodities working in Africa, Australasia and Asia. Most recently he was a Director, Corporate Finance, with Patersons Securities with whom he spent 10 years as a resource specialist. Prior to joining Patersons Securities he worked for 15 years for various Rio Tinto Group companies including Bougainville Copper, An Mau Steel and Kembla Coal & Coke. He was a member of the Audit Committee for the Financial Year.

Mr McBain was appointed as Goldstream's nominee director of Uranex NL 13 August 2007, but resigned 15 August 2007 when he became aware that a potential conflict of interest could arise. Mr McBain was appointed a director of Colonial Resources Ltd on 6 December 2006.

Terrence Arthur Robson, CA, ACIS, CPA, FTIA

Non-Executive Director – Age 58

Terry Robson has been involved in the accounting profession for over thirty five years, and in practise for the last twenty seven years. He joined the Board of Goldstream Mining NL in 1990, and has considerable experience in financial and secretarial matters. Mr Robson is Chairman of the Audit Committee, and has not held a directorship in any other listed entity in the past three years.

Stephen Brian Hunt, B.Bus (Mktng)

Non-Executive Director - Age 45 (appointed 3 July 2007)

Stephen Hunt has more than 20 years experience in the minerals marketing industry, 16 of which were gained BHP. He was a director of Australian Zircon NL until 28 April 2006, and has directorships in private resource focussed companies. Mr Hunt has not held a directorship in any other listed entity in the past three years. He was appointed a member of the audit committee on 11 September 2007.

Geoffrey Joseph Wallace, FCPA, FTIA, MAICD

Executive Director and Company Secretary - Age 60 (Resigned 3 July 2007)

Geoff Wallace has thirty nine years experience in financial, corporate and management areas of the mining industry. Mr Wallace has been the Company Secretary of Goldstream Mining NL since 1988, and joined the Board of that company in 1996. He was Chairman of the Mibango and Luwumbu Joint Venture Committees, and was a member of the Audit Committee.

Mr Wallace has been a Director and the Company Secretary of Uranex NL since 4 July 2005. He resigned as Company Secretary on the 3 July 2007 and was appointed Managing Director of Uranex NL 4 July 2007. Mr Wallace was appointed a director of Continental Nickel Ltd, a Canadian listed company, 23 November 2006. He has not held a directorship in any other listed entity in the past three years.

Directors' Report continued

Company Secretary

Geoffrey Joseph Wallace, FCPA, FTIA, MAICD (resigned 3 July 2007)

Geoff Wallace has been Company Secretary of the Company since 1988. He continued in that role until his resignation to take up the role of Managing Director Uranex NL on 4 July 2007.

Kimberley Graeme France, BCom, CPA, FCIS (appointed 3 July 2007)

Kim France has over thirty years experience in Accounting and Finance mainly in managerial roles. He is also the Chief Financial Officer and continues in that role.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Goldstream Mining NL were:

	Fully Paid Ordinary Shares	Partly Paid Ordinary Shares
J C Jooste-Jacobs	184,500	-
D R McBain	185,181	1,500,000
T A Robson	229,582	900,000
S B Hunt	20,000	-

Indemnifying Officer or Auditor

During the year the Company arranged insurance cover and paid a premium for directors in respect of indemnity against third party liability. In accordance with the terms and conditions of the insurance policy, the amount of the premium paid has not been disclosed on the basis of confidentiality, which is permitted under Section (9) of the Corporations Act 2001.

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

CORPORATE INFORMATION

Goldstream Mining NL is a Company limited by shares that is incorporated and domiciled in Australia.

Nature of operations and principal activities

The principal activities of the group during the year was prospecting and exploration for minerals. There was no significant change in the nature of that activity during the year.

Employees

The Company has 9 employees as at 30 June 2007.

Review of Operations

Goldstream has been active on a number of fronts.

At Cairn Hill, 55km south east of Coober Pedy in South Australia the Company has identified magnetite - copper - gold mineralisation which preliminary metallurgy indicates can produce a niche product that does not require pelletisation. Goldstream has done significant feasibility work is currently pursuing opportunities to commercialise the project.

The potential of the Mt Woods tenement package was again enhanced with additional anomalous RC intersections recorded at the new Iron Ore Copper Gold (IOCG) discovery at Black Hills, and up to 0.74 g/t Pd+Pt+Au intersected in regional RC drilling within 1km of the Kangaroo Dam PGE project.

Directors' Report continued

In 2006 Goldstream made an important new Nickel belt discovery at the Nachingwea project in Tanzania, with an outstanding result of 3m @ 11.23% Ni and 1.76% Cu intersected. In line with the Company's objective of maximising shareholder value, Goldstream sold 70% of this project to a fully owned Canadian subsidiary, Continental Nickel Ltd (CNI), and in July 2007 successfully floated that company on the Toronto stock exchange to raise \$16.5 M Canadian Dollars. At the conclusion of the float and assuming all warrants are exercised, Goldstream will retain a 51% holding in CNI. The newly formed CNI is aggressively exploring the new nickel province and is committed to spending Cdn \$8 million on exploration over the next two years.

In Tanzania, Goldstream transferred operatorship of both the Luwumbu and Mibango joint ventures to Lonmin Plc. This was to allow Goldstream to concentrate its management resources on its Australian projects where it believes it can add most value to shareholder returns. Lonmin is continuing to sole fund US \$6.7 million of exploration on the two projects with 3 diamond drill rigs operating at Luwumbu and detailed geophysical surveys underway at Mibango.

Environmental Regulation

The Group's exploration activities and those of its farm-in partners in both Australia and overseas are subject to environmental regulations and guidelines operating in the licence area. Failure to meet environmental conditions attaching to the Group's mining tenements could lead to forfeiture of the tenements. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2007.

OPERATING AND FINANCIAL REVIEW

Operating Results for the Year

The operating loss after income tax of the Company for the year ended 30 June 2007 was \$8,674,367 (2006: \$1,989,137). Included in this loss figure is \$6,686,263 (2006: \$1,801,075) of exploration expenditure written off. Refer notes to the financial statements note 1(e).

Summarised operating results are as follows:

	2007	
	Revenues	Results
	\$	\$
<i>Geographic segment</i>		
Australia	2,443,983	(7,848,354)
Tanzania	28,523	(1,169,075)
Mozambique	-	(103,592)
India	-	(24,708)
Canada	-	(592,118)
Inter segment elimination	-	1,075,179
Revenues and loss from ordinary activities before income tax expense	<u>2,472,506</u>	<u>(8,662,668)</u>

Directors' Report continued

Shareholder Returns

	2007	2006
Basic loss per share (cents)	(5.5)	(1.47)

Dividends

Up until the date of this report, no dividend has been declared or paid by the Company and the directors do not recommend payment of a dividend.

Risk Management

The board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the board.

The group believes that it is crucial for all board members to be a part of this process, and as such the board has not established a separate risk management committee.

Economic Risks

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded there is a risk that tenements may have to be surrendered or not renewed.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors which may include:

- (a) general economic outlook;
- (b) interest rates and inflation rates;
- (c) currency fluctuations;
- (d) commodity prices;
- (e) changes in investor sentiment toward particular market sectors;
- (f) the demand for, and supply of, capital; and
- (g) terrorism or other hostilities.

Market Conditions

The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Exploration Success

The mineral tenements of the Company are at various stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the tenements currently held by the Company, or any other tenements that may be acquired in the future by the Company, will result in the discovery of an economic mineral deposit.

Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Directors' Report continued

Political Risk, Commodity Price Volatility and Exchange Rates Risks

In the event that the Company achieves exploration success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Environmental Risks

The operations and proposed activities of the Company are subject to both Australian State and Federal laws and regulations and Tanzanian, Indian, Mozambique and Canadian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities including accidental leakages, spills, or other unforeseen circumstances which could subject the Company to extensive liability.

Title Risks and Native Title

Interest in tenements in Australia, Tanzania and Mozambique are governed by the respective country and state legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

It is also possible that, in relation to the Australian tenements in which the Company has an interest or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

	2007
	\$
(a) An increase in contributed capital of \$932,200 (from \$42,590,344 to \$43,522,544) as a result of:	
Issue of 2,400,000 partly paid ordinary shares of 46 cents paid to 1 cent in accordance with the Employee Share Incentive Plan	24,000
Issue of 1,300,000 fully paid ordinary shares of 40 cents as consideration for purchase of exploration tenements	520,000
Issue of 300,000 partly paid ordinary shares of 50 cents paid to 1 cent in accordance with the Employee Share Incentive Plan	3,000
Conversion of 1,420,000 partly paid ordinary shares to fully paid ordinary shares	385,200

(b) Net cash received from the increase in contributed equity amounting to \$212,700 was used to fund operations

Directors' Report continued

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 9 July 2007, Continental Nickel Ltd, a wholly owned subsidiary of Goldstream Mining NL, issued a Canadian prospectus to raise a minimum of \$13,500,000 Canadian dollars to a maximum of \$16,500,000 Canadian dollars, including an Australian sub offering of \$3,850,000 Canadian dollars. The raising was oversubscribed. Continental Nickel Ltd subsequently listed on the Toronto Stock Exchange on 7 August 2007.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the directors, it would prejudice the interest of the Group to include additional information, except as reported in the Director's Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial periods subsequent to 30 June 2007.

PARTLY PAID SHARES

At the date of this report there are 10,894,589 partly paid ordinary shares issued under the Goldstream Mining Employee Share Incentive Plan.

	Number of Partly Paid Shares
Balance at the beginning of the year	9,614,589
Partly Paid Shares issued during the year	
Paid to 1 cent	2,700,000
Converted to fully paid shares	<u>(1,420,000)</u>
Total number of partly paid shares issued at 30 June 2007	<u>10,894,589</u>
Issued subsequent to year end	<u>-</u>
Converted to fully paid shares subsequent to year end	<u>-</u>
Total number of partly paid shares issued at the date of this report	<u><u>10,894,589</u></u>

The balance is comprised of the following:

Number	Issue price per partly paid share (cents)
250,000	11
200,000	12
565,589	18
209,000	22
100,000	25
950,000	31
100,000	34
30,000	36
1,420,000	39
1,000,000	42
160,000	43
2,400,000	46
810,000	48
300,000	50
650,000	52
750,000	57
1,000,000	61

The amount paid up per partly paid share is one cent.

Total number of partly paid shares issued at the date of this report

10,894,589

Directors' Report continued

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums insuring all the directors of Goldstream Mining NL against costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or

(b) a contravention of sections 182 or 183 of the Corporations Act 2001,

as permitted by section 199B of the Corporations Act 2001.

The total amount of insurance contract premiums paid is confidential under the terms of the insurance policy.

REMUNERATION REPORT

This report outlines the remuneration arrangements in place for directors and executives receiving the highest remuneration of the Group.

Remuneration policy

The Board recognises that the performance of the Company depends upon the quality of its directors and executives. To achieve its operating and financial activities the Company must attract, motivate and retain highly skilled directors and executives.

The Company's policy for determining the nature and amount of emoluments of board members and executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

All directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9% and do not receive any other retirement benefits.

Executives are also entitled to participate in the employee share incentive scheme. All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Partly paid shares are valued using the Black Scholes methodology.

The board policy is to remunerate non executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non executive directors is subject to approval by shareholders at the Annual General Meeting (currently \$200,000). Fees for non executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are also able to participate in the Company's Employee Share Incentives Plan.

Performance based remuneration

The Company currently has no performance based remuneration component built into director and executive remuneration packages.

Company performance, shareholder wealth and directors' and executives' remuneration

The remuneration policy has been tailored to increase good congruence between shareholders and directors and executives. Currently this is facilitated through the issue of partly paid shares to directors, and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

Performance Income as a proportion of total compensation

No performance based bonuses have been paid to executive directors during the financial year. Performance based bonuses paid to executives are shown in the remuneration report.

Share Options

There are no unissued ordinary shares under options at the date of this report.

Directors' Report continued

Director's Benefits

During or since the financial year, no director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the consolidated accounts, by reason of a contract entered into by the Company or an entity that the Company controlled or a body corporate that was related to the Company when the contract was made or when the director received, or became entitled to receive, the benefit with:

- a director, or
- a firm of which a director is a member, or
- an entity in which a director has substantial financial interest,

except the usual professional fees for their services paid by the Company to:

- Uranex NL being a company in which Mr G J Wallace is a director and company secretary.

Full details are provided in Note 21(d) - Related Party Transactions.

	Short-Term			Share-based	Total	Performance Based Bonus Component
	Salary & Fees	Non Monetary	Superannuation	Partly Paid Shares		
	\$	\$	\$	\$	\$	\$
Directors						
D R McBain						
2007	149,250	7,197	85,373	359,400	601,220	
2006	-	3,638	57,225	-	60,863	
T R Robson						
2007	25,000	7,196	18,600	71,880	122,676	
2006	25,000	6,515	15,875	-	47,390	
G J Wallace (resigned 3 July 2007)						
2007	175,134	41,680	18,665	143,760	379,239	
2006	166,136	26,149	26,274	-	218,559	
G S Kenway (resigned 30 March 2006)						
2006	162,784	42,518	11,276	-	216,578	
M R Stewart (resigned 28 February 2006)						
2006	35,000	2,273	3,150	-	40,423	
Other key management personnel						
B Manzi						
2007	101,855	-	18,184	68,724	188,763	2,540
K G France						
2007	140,940	-	22,495	-	163,435	2,100
C S MacDougall						
2007	111,130	830	-	-	111,980	
G A Hill						
2007	11,657	-	-	-	11,657	
R G Edwards						
2007	81,400	-	7,632	-	89,032	
2006	151,649	9,925	13,955	119,800	295,329	
Total key management personnel compensation						
2007	796,366	56,923	170,949	643,764	1,668,002	
2006	540,569	91,018	127,755	119,800	879,142	

Directors' Report continued

DIRECTORS' MEETINGS

The number of directors' meetings held (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

	Directors' Meetings		Meetings of Committees Audit	
	A	B	A	B
Number of meetings attended:				
D R McBain	13	13	1	1
G J Wallace	13	12	1	1
TA Robson	13	13	1	1

Notes

A - Number of meetings attended.

B - Number of meetings held during the time the director held office during the year.

The audit committee comprises T A Robson (Chairman), J C Jooste-Jacobs (appointed 11 September 2007) and S B Hunt (appointed 11 September 2007).

Other members of the audit committee during the financial year were D M McBain (resigned on 11 September 2007) and G J Wallace (Resigned 3 July 2007)

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest \$1 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

AUDITOR INDEPENDENCE

The Auditor's Independence Declaration for the year ended 30 June 2007 has been received and is disclosed on page 48

NON-AUDIT SERVICES

No non-audit services were provided by the Company Auditor, Stantons International.

This report is made in accordance with a resolution of the directors.



T A Robson

Director

PERTH

28 September 2007

Corporate Governance Statement

The Board is responsible for the overall corporate governance of the Company and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision-making. To the extent that they are relevant to the organisation, the Company has, subject to the exceptions set out below, adopted the ten Corporate Governance Council “Principles of Good Corporate Governance and Best Practice Recommendations” released on 31 March 2003 (“ASX Principles”).

The Board of Directors

The Company’s Constitution provides that the number of directors shall not be less than three or more than nine. There is no requirement for any share holding qualification.

The board of directors of Goldstream Mining NL is responsible for the corporate governance of the Group. The Board will develop strategies for the Company, review strategic objectives, and monitor the performance against those objectives. The overall goals of the corporate governance process are to:

- drive shareholder value;
- assure a prudential and ethical base to the Company’s conduct and activities; and
- ensure compliance with the Company’s legal and regulatory obligations.

Consistent with these goals, the Board commits to the following responsibilities:

- to review the corporate, commercial and financial performance of the Company on a regular basis;
- to act on behalf of, and be accountable to, the Shareholders;
- to identify business risks and implement actions to manage those risks; and
- develop and implement management and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors’ participation in Board discussions on a fully informed basis.

Election of Board members is substantially the province of the Shareholders in general meetings. However, subject thereto, the Company commits to the following principles:

- that the Board should comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business;
- that the principal criterion for the appointment of new Directors should be their ability to add value to the Company and its business.

The Company does not have a formal nomination committee as recommended by ASX Principle 8. However, the whole Board will meet to consider additional appointments to the Board.

The board consists of one executive director and three non-executive directors. The consents in writing of each director are on file, and all directors have made all necessary disclosures relating to potential conflicts of interest. Details of the directors are set out in the Directors’ Report.

The composition of the board is reviewed on a regular basis to ensure that it has the appropriate mix of expertise and experience. Should it be necessary to appoint a new director, for whatever reason, appropriate candidates would be selected, with advice from an external consultant. The full board may then appoint the most suitable candidate, who must stand for re-election at the next Annual General Meeting, and be re-elected at three yearly intervals. No policy exists for the retirement of non-executive directors.

Each director has the right to seek independent professional advice at the Group’s expense. However, prior approval of the chairman is required, and such approval shall not be unreasonably withheld.

The role of the Board as set out above is consistent with ASX Principle 1.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other Boards.

Independent Professional Advice

Subject to the Chairman’s prior approval (not to be unreasonably withheld), Directors, at the Company’s expense, may obtain independent professional advice on issues arising in the course of their duties.

Corporate Governance Statement continued

Remuneration Policies

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

Directors, executives and consultants of the Group are also entitled to participate in the Company's Share Incentive Plan. Details of the Plan are set out in Note 26(b) of the financial statements. The amount of remuneration for all directors and specific executives, including all monetary and non-monetary components are detailed in the Director's Report.

The Chairman reviews the performance of all Directors each year. Directors whose performance is unsatisfactory are asked to retire.

External Audit

The Company in general meeting is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors. Consistent with ASX Principle 6, the auditors are invited to attend and answer questions at the Company's Annual General Meeting.

Audit Committee

The main responsibilities of the audit committee are to:

- review and report to the board on the annual report and financial statements;
- provide assurance to the board that it is receiving adequate, timely and reliable information;
- assist the board in reviewing effectiveness of the Group's internal control environment covering:
 - compliance with applicable laws and regulations
 - reliability of financial reporting.
- liaise with the external auditors and ensure that the annual audit and half-year review are conducted in an efficient manner; and

The audit committee reviews the performance of the external auditors on an annual basis, and a representative of the committee meets with them during the year to discuss the external audit plan, any significant problems that may arise, and to review the fees proposed for the audit work to be performed.

Any written matters raised by the auditors are discussed and dealt with at full board meetings. The auditors, by request, may attend audit committee meetings and board meetings to discuss any matter that they believe warrants attention by the board. The auditors also attend shareholder meetings of the Group.

The audit committee is consistent with ASX Principle 4.

Identification and Management of Risk

The Board's collective experience will enable accurate identification of the principal risks which may affect the Company's business. Management of these risks will be discussed by the Board at periodic (at least annual) strategic planning meetings. In addition, key operational risks and their management, will be recurring items for deliberation at Board meetings.

Determined areas of risk that are regularly considered at board meetings or reported on monthly include:

- performance and funding of exploration activities;
- budget control and asset protection;
- status of mineral tenements;
- sovereign risk and Native Title considerations; and
- continuous disclosure obligations.

Corporate Governance Statement continued

Identification and Management of Risk

The Board's collective experience will enable accurate identification of the principal risks which may affect the Company's business. Management of these risks will be discussed by the Board at periodic (at least annual) strategic planning meetings. In addition, key operational risks and their management, will be recurring items for deliberation at Board meetings.

Determined areas of risk that are regularly considered at board meetings or reported on monthly include:

- performance and funding of exploration activities;
- budget control and asset protection;
- status of mineral tenements;
- sovereign risk and Native Title considerations; and
- continuous disclosure obligations.

The Company's practice is consistent with ASX Principle 7.

Ethical Standards

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

Shareholder Communications

The board aims to ensure that the shareholders are informed of all major developments affecting the Group's state of affairs. Information is communicated to shareholders as follows:

- the internet web site: www.goldstreammining.com.au
- the Annual Report is distributed to all shareholders. The board ensures that the Annual Report includes relevant information about the operations of the Group during the year, changes in the state of affairs of the Group and details of future developments, in addition to other disclosures required by Corporations Act 2001;
- Quarterly Reports and half-yearly financial statements are lodged with the Australian Stock Exchange and copies are sent to any shareholder who requests them;
- any proposed major changes in the Group which may impact on the share ownership rights would be submitted to a vote of shareholders; and
- the board ensures that the continuous disclosure requirements of the Australian Stock Exchange are fully complied with, ensuring that shareholders are kept informed on significant events affecting the Group.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient from time to time in light of changing circumstances and economic conditions. The Directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

Corporate Governance Statement continued

	ASX Principle	Status	Reference/comment
Principle 1:	Lay solid foundations from management and oversight		
1.1	Formalise and disclose the functions reserved to the board and those delegated to management.	Complies	Corporate Governance section 1 as disclosed on the Company's website.
Principle 2:	Structure the board to add value		
2.1	A majority of board members should be independent directors	Complies	The Company has three non executive directors and one executive director,
2.2	The chairperson should be an independent director	Complies	Disclosed in directors report.
2.3	The roles of the chairperson and chief executive officer should not be exercised by the same individual.	Complies	Disclosed in directors report.
2.4	The Board should establish a nomination committee	Does not comply	The Company does not have a formal nomination committee, however the whole Board meets to consider additional appointments to the Board.
2.5	Provide the information indicated in <i>Guide to Reporting on Principle 2</i>	Complies (in part)	The skills and experience of directors are set out in the Company's Annual Report and on its website.
Principle 3:	Promote ethical and responsible decision making		
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: 3.1.1 the practices necessary to maintain confidence in the Company's integrity 3.2.2 the responsibility and accountability of individuals for reporting or investigating reports of unethical practices	Complies	Corporate Governance section 3 as disclosed on the Company's website.
3.2	Disclose the policy concerning trading in Company securities by directors, officers and employees	Complies	Corporate Governance section 5 as disclosed on the Company's website.
3.3	Provide the information indicated in <i>Guide to Reporting on Principal 3</i>	Complies	Corporate Governance section 5 as disclosed on the Company's website.

Corporate Governance Statement continued

Principal 4	Safeguard integrity in financial reporting		
4.1	Require the chief executive officer (or equivalent) and the chief financial officer (or equivalent) to state in writing to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with relevant accounting standards	Complies	
4.2	The Board should establish an audit committee	Complies	Corporate Governance section 2 as disclosed on the Company's website.
4.3	Structure the audit committee so that it consists of: <ul style="list-style-type: none"> • Only non-executive directors • A majority of independent directors • An independent chairperson who is not the chairperson of the Board • At least three members 	Complies	Corporate Governance section 2 as disclosed on the Company's website.
4.4	The audit committee should have a formal charter	Complies	Corporate Governance section 2 as disclosed on the Company's website.
4.5	Provide the information indicated in <i>Guide to reporting on Principle 4</i>	Complies	Corporate Governance section 2 as disclosed on the Company's website.
Principle 5:	Make timely and balanced disclosure		
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance	Complies	Corporate Governance section 6 as disclosed on the Company's website.
5.2	Provide the information indicated in <i>Guide to Reporting on Principle 5</i>	Complies	Corporate Governance Statement section 6 as disclosed on the Company's website.
Principle 6:	Respect the rights of shareholders		
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings	Complies	Corporate Governance section as disclosed in the Annual Report.
6.2	Request the external auditor to attend the annual general meeting and be available to answer shareholder questions about the audit and the preparation and content of the auditors report	Complies	Corporate Governance section 2 as disclosed on the Company's website.
Principle 7:	Recognise and manage risk		
7.1	The Board or appropriate board committee should establish policies on risk oversight and management	Complies	Corporate Governance section 7 as disclosed on the Company's website.

Corporate Governance Statement continued

7.2	<p>The chief executive officer (or equivalent) and the chief financial officer (or equivalent) should state to the Board in writing that:</p> <p>7.2.1 the statement given in accordance with best practice recommendation 4.1 (the integrity of financial statements) is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board</p> <p>7.2.2 the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects</p>	Complies	
7.3	Provide information indicated in <i>Guide to Reporting on Principle 7</i>	Complies	Corporate Governance section 7 as disclosed on the Company's website.
Principal 8:	Encourage enhanced Performance		
8.1	Disclose the process for performance evaluation of the Board, its committees and individual directors, and key executives.	Does not comply	The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.
Principle 9:	Remunerate fairly and responsibly		
9.1	Provide disclosure in relation to the Company's remuneration policies and benefits to these policies and the link between remuneration paid to directors and key executives and corporate performance	Complies	The Company discloses remuneration related information in its Annual Report to shareholders in accordance with the Corporations Act 2001.
9.2	The Board should establish a remuneration committee	Does not comply	In the Board's view there are no efficiencies to be gained by establishing a separate remuneration committee. The full Board follows appropriate procedures to evaluate levels of remuneration.
9.3	Clearly distinguish the structure of non-executive directors remuneration from that of executives	Complies	Disclosed in notes to Annual Financial Report.
9.4	Ensure that payment of equity-based executive remuneration is made in accordance with thresholds set in plans approved by shareholders	Complies	Disclosed in notes to Annual Financial Report.
9.5	Provide information indicated in <i>ASX Guide to Reporting on Principle 9</i>	Does not comply	In the Board's view there are no efficiencies to be gained by establishing a separate remuneration committee. The full Board follows appropriate procedure to evaluate levels of remuneration.
Principle 10:	Recognise legitimate interests of Stakeholders		
10.1	Establish and disclose a code of conduct to guide compliance with legal and other obligations to legitimate stakeholders	Complies	Corporate Governance section 4 as disclosed on the Company's website.

Income Statements

YEAR ENDED 30 JUNE 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
REVENUE FROM CONTINUING OPERATIONS					
Interest receivable from other persons		713,904	385,730	713,369	385,387
Net proceeds from sale of investments		302,069	413,945	302,069	413,945
Net proceeds from sale of tenements		52,212	433,287	51,000	204,950
Join venture cost recovery		276,310	249,560	249,534	229,819
Mark to market investments		5,762	(23,389)	5,762	(61,009)
Office overheads recouped		1,018,451	394,500	1,018,451	381,116
		2,368,708	1,853,633	2,340,185	1,567,592
EXPENDITURE					
Provision for non recovery of loans		-	14,891	1,074,125	420,591
Exploration expenditure written off	9	6,686,263	1,801,075	5,629,772	1,214,278
Depreciation		74,662	119,541	31,259	52,064
Write down in investment in controlled entity		-	-	110,929	-
Salaries and wages		1,414,436	811,484	1,288,785	811,485
Rental expenses relating to operating leases		191,215	135,937	169,800	35,937
Loss/(gain) on sale of asset		84,051	(4,664)	1,103	80
Share of loss of associated company		-	330,020	-	-
Foreign exchange loss/(gain)		638,913	(150,753)	330,501	(24,495)
Interest paid		571	636	571	636
Employee share remuneration	13	643,764	194,076	643,764	194,076
Other expenses from ordinary activities		1,401,299	589,148	829,408	588,220
		11,135,174	3,841,392	10,110,017	3,392,872
OPERATING LOSS BEFORE RELATED TAX BENEFIT	2	8,766,466	1,987,759	7,769,832	1,825,280
Research and development rebate		103,798	-	103,798	-
OPERATING LOSS BEFORE INCOME TAX		8,662,668	1,987,859	7,666,034	1,825,280
Income tax attributable to operating loss		-	-	-	-
Outside equity interests in operating loss after income tax		11,699	1,378	-	-
NET LOSS ATTRIBUTABLE TO MEMBERS OF GOLDSTREAM MINING NL		8,674,367	1,989,137	7,666,034	1,825,280
Basic loss per share (cents per share)	18	(5.5)	(1.47)		

The above Income Statements are to be read in conjunction with the Notes to the Financial Statements.

Balance Sheets

AT 30 JUNE 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
CURRENT ASSETS					
Cash and cash equivalents	14(b)	7,542,858	14,554,187	7,480,982	14,484,122
Trade and other receivables	5(a)	1,140,014	721,976	1,820,660	704,354
Other financial assets	6	312,854	225,671	312,854	225,671
TOTAL CURRENT ASSETS		8,995,726	15,501,834	9,614,496	15,414,147
NON-CURRENT ASSETS					
Trade and other receivables	5(b)	60,840	17,810	89,201	152,595
Investment in associated company	7	-	-	164,970	164,970
Property, plant and equipment	8	142,666	185,102	94,513	86,271
Exploration expenditure	9	-	-	-	-
TOTAL NON-CURRENT ASSETS		203,506	202,912	348,684	403,836
TOTAL ASSETS		9,199,232	15,704,746	9,963,180	15,817,983
CURRENT LIABILITIES					
Trade and other payables	10	1,436,787	1,496,381	1,004,155	897,217
Provisions	11(a)	284,428	64,829	278,868	64,829
TOTAL CURRENT LIABILITIES		1,721,215	1,561,210	1,283,023	962,046
NON-CURRENT LIABILITIES					
Provisions	11(b)	-	85,710	-	85,710
TOTAL NON-CURRENT LIABILITIES		-	85,710	-	85,710
TOTAL LIABILITIES		1,721,215	1,646,920	1,283,023	1,047,756
NET ASSETS		7,478,017	14,057,826	8,680,157	14,770,227
EQUITY					
Issued capital	12	43,522,544	42,590,344	43,522,544	42,590,344
Reserves	13(a)	1,205,301	54,642	837,840	194,076
Accumulated losses	13(b)	(37,164,423)	(28,490,056)	(35,680,227)	(28,014,193)
Parent Entity Interest		7,563,422	14,154,930	8,791,066	14,770,227
Outside Equity Interest	19	(85,405)	(97,104)	-	-
TOTAL EQUITY		7,478,017	14,057,826	8,680,157	14,770,227

The above Balance Sheets are to be read in conjunction with the Notes to the Financial Statements

Statements of Changes in Equity

YEAR ENDED 30 JUNE 2007	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR		14,057,826	5,723,376	14,770,227	6,165,713
Change in Minority Interests		11,699	1,195	-	-
Change in Foreign Currency Reserve	13(a)	506,895	(107,402)	-	-
Change in Partly Paid Shares Reserve	13(a)	643,764	194,076	643,764	194,076
NET INCOME RECOGNISED DIRECTLY IN EQUITY LOSS FOR THE YEAR		1,162,358	87,869	643,764	194,076
		(8,674,367)	(1,989,137)	(7,666,034)	(1,825,280)
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF GOLDSTREAM MINING NL		(7,512,009)	(1,901,268)	(7,022,270)	(1,631,204)
Transactions with equity holders in their capacity as equity holders:					
Shares issued during the year		-	10,853,146	-	10,853,146
Issue of partly paid shares during the year		27,000	-	27,000	-
Partly paid shares converted to fully paid during the year		385,200	-	385,200	-
Issue of shares for exploration assets		520,000	-	520,000	-
Transaction costs		-	(617,428)	-	(617,428)
		932,200	10,235,718	932,200	10,235,718
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		7,478,017	14,057,826	8,680,157	14,770,227

The above Statements of Changes in Equity are to be read in conjunction with the Notes to the Financial Statements.

Statements of Cash Flows

YEAR ENDED 30 JUNE 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		(1,456,228)	(160,402)	(1,168,981)	(139,628)
Interest received		716,195	380,122	715,660	379,779
Interest Paid		(571)	(636)	(571)	(636)
NET CASH FLOWS (USED IN)/ FROM OPERATING ACTIVITIES	14(a)	(740,604)	219,084	(453,892)	239,515
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments		-	(20)	-	(20)
Payment of exploration expenditure		(10,308,484)	(7,084,572)	(8,721,947)	(1,214,278)
Proceeds on sale of exploration property		-	63,287	-	-
Proceeds on sale of property, plant & equipment		3,944	-	3,944	-
Joint venturer contributions		3,135,323	5,078,493	3,135,323	4,988,504
Proceeds on sale of investments		271,442	668,140	271,442	662,445
Advance from (to) controlled entities		217,455	(217,455)	(2,049,018)	(6,077,473)
Prepayment of subsidiary share issue costs		(311,612)	-	-	-
Acquisition of property, plant & equipment		(130,276)	(65,933)	(44,548)	(42,755)
Refund (payment) of security bond		(43,030)	4,000	(43,030)	(10,000)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(7,165,238)	(1,554,060)	(7,447,834)	(1,693,577)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issues of ordinary shares		932,200	10,853,146	932,200	10,853,146
Payment of share issue costs		-	(617,428)	-	(617,428)
NET CASH FLOWS FROM FINANCING ACTIVITIES		932,200	10,235,718	932,200	10,235,718
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(6,973,642)	8,900,742	(6,969,526)	8,781,656
Add opening cash and cash equivalents brought forward		14,554,187	5,687,266	14,484,122	5,677,971
Effect of exchange rates on cash holdings in foreign currencies		(37,687)	(33,821)	(33,614)	24,495
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD	14(b)	7,542,858	14,554,187	7,480,982	14,484,122

The above Statements of Cash Flows are to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

30 JUNE 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report covers the consolidated group of Goldstream Mining NL and controlled entities, and Goldstream Mining NL (the Company) as an individual entity. Goldstream Mining NL is a company limited by shares incorporated in Australia whose shares are publicly traded on Australian Stock Exchange Limited.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied to all years presented unless otherwise stated.

(a) BASIS OF PREPARATION

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

Compliance with IFRSs

The financial report of the Group also complies with International Financial Reporting Standards and interpretations adopted by the International Financial Reporting Standards Board.

Australian Accounting Standards include Australian equivalents to International Financial Report Standards (AIFRS).

The parent entity financial statements and notes also comply with IFRS except that it has elected to apply the relief provided to parent entities in respect of certain disclosure requirements contained in AASB132 Financial Instruments: Disclosure and Presentation.

Historical cost convention

The financial report has been prepared on an accruals basis under the historical cost convention, as modified by the revaluation of selected non current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

(b) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are those of the consolidated entity, comprising Goldstream Mining NL (the parent entity) and all entities which Goldstream Mining NL controlled from time to time during the year and at balance date. A controlled entity is any entity Goldstream Mining NL has the power to control the financial and operating policies of so as to obtain benefits from its activities. A list of controlled entities is contained in note 16.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

Uranex NL has been accounted for using the Equity Method of Accounting. Goldstream Mining NL's voting power was reduced to 43.6% on the 22 June 2006, and was further diluted by a share placement by Uranex NL in February 2007 to 39.5%. Uranex NL has not been a subsidiary of Goldstream Mining NL during the 2007 financial year.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated on consolidation. Unrealised losses are eliminated unless costs cannot be recovered.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Goldstream Mining NL.

Notes to the Financial Statements continued

30 JUNE 2007

(c) PROPERTY, PLANT AND EQUIPMENT

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

Plant and equipment

Plant and equipment are measured on the cost basis.

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 assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts. The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Depreciation of plant and equipment is calculated on a straight line basis so as to write off the net costs of each asset over the expected useful life. The rates vary between 2% and 50% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's 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 carrying amount. These are included in the income statement. When revalued assets are sold, it is group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(d) IMPAIRMENT OF ASSETS

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

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

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

(e) EXPLORATION AND EVALUATION COSTS

Exploration and evaluation expenditure incurred is not carried forward as an asset in the Balance Sheet, and is written off in the year they are incurred.

(f) OPERATING LEASES

Operating leases are not recognised in the Group's balance sheet.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis. Contingent rentals are recognised as an expense in the financial year in which they are incurred.

(g) INCOME TAX

The Group adopts the liability method of tax-effect accounting whereby the income tax expense is based on the profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account either as a deferred tax or as a deferred tax asset at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable. When deferred tax relates to items that may be credited directly to equity, the deferred tax is adjusted directly against equity.

Notes to the Financial Statements continued

30 JUNE 2007

Deferred tax assets are not brought to account unless it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(h) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(i) FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The functional currency of each of the group's entities 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.

Transactions 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. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement.

Financial Statements of foreign operations

The financial results and position of foreign operations whose functional currency is not Australian dollars, the group's presentation currency, are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for each month during the period.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

(j) ACCOUNTS PAYABLE

Trade and other payables are recognised when the Group becomes obliged to make further payments resulting from the purchase of goods and services.

(k) PROVISIONS

Provisions are recognised when the Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

(l) EMPLOYEE BENEFITS

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave when it is probable that settlement will be required.

Notes to the Financial Statements continued

30 JUNE 2007

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled including related on-costs, such as workers compensation and payroll tax. Non accumulating non monetary benefits, such as medical care, cars or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss when they are due.

Share based payment transactions

The grant date fair value of partly paid shares granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which employees become unconditionally entitled to them.

(m) REVENUE RECOGNITION

Interest revenue is recognised on a time proportionate basis.

Revenue from the disposal of assets is recognised when the consolidated entity has passed control of the asset to the buyer.

(n) ISSUED CAPITAL

Ordinary shares are classified as equity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(o) EARNINGS PER SHARE (EPS)

Basic earnings per share

Basic EPS is calculated as the profit (loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(p) CASH AND CASH EQUIVALENTS

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Notes to the Financial Statements continued

30 JUNE 2007

(q) FINANCIAL INSTRUMENTS

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual right to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

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

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity, net of any related income tax benefit.

(r) COMPARATIVE FIGURES

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

(s) INTERESTS IN JOINT VENTURES

The Group's interest in unincorporated joint ventures and jointly controlled assets are brought to account by including in the respective classifications, the share of individual assets employed, and liabilities and expenses incurred.

(t) 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.

(u) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2007 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 7 Financial Instruments : Disclosures and AASB 2005-10 Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038)

AASB 7 and AASB 2005-10 are applicable to annual reporting periods beginning on or after 1 January 2007. The Group has not adopted the standards early. Application of the standards will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to the Group's and the parent entity's financial instruments.

Notes to the Financial Statements continued

30 JUNE 2007

(ii) AASB-I 10 Interim Financial Reporting and Impairment

AASBI-10 is applicable to reporting periods commencing on or after 1 November 2006. The Group has not recognised an impairment loss in relation to financial assets carried at cost in an interim reporting period but subsequently reversed the impairment loss in the annual report. Application of the interpretation will therefore have no impact on the Group's or the parent entity's financial statements.

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Notes	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$

2. LOSS FROM ORDINARY ACTIVITIES

Loss from ordinary activities included the following items of revenue and expense:

(a) OPERATING REVENUE

Interest receivable from other persons	713,904	385,730	713,369	385,387
Profit on sale of listed investments	302,069	413,945	302,069	413,945
Profit on sale of tenements	52,212	433,287	51,000	204,950
Gain/Loss on sale of property, plant & equipment	-	4,664	-	(80)
Foreign exchange gains/(losses)	(638,913)	150,753	(330,501)	24,495

(b) OPERATING EXPENSES

Provision for employee entitlements	148,855	28,872	143,276	28,872
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3. INCOME TAX**(a) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE**

Loss from ordinary activities before income tax expense	8,766,466	1,987,759	7,769,832	1,825,280
Prima facie tax benefit on loss from ordinary activities at 30%	2,629,940	596,327	2,330,950	547,584
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:				
Tax effect of current year tax losses for which no deferred tax asset has been recognised	(229,333)	(53,743)	(475,641)	(33,500)
	(2,296,809)	(542,585)	(1,751,510)	(514,084)
Income tax benefit	(103,798)	-	(103,798)	-

(b) INCOME TAX LOSSES

Unused tax losses for which no deferred tax asset has been recognised	22,549,218	16,893,188	22,731,556	16,893,188
Write back research & development claim 2006	(345,996)	-	(345,996)	-
Adjustment to prior year	(235,388)	-	(235,388)	-
Amended unused tax losses for which no deferred tax asset has been recognised	23,967,834	16,893,188	22,150,172	16,893,188
Potential tax benefit @ 30%	7,190,350	5,067,956	6,645,052	5,067,956

Notes to the Financial Statements continued

30 JUNE 2007

Notes	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
(c) DEFERRED TAX ASSETS				
Tax losses	7,190,350	5,067,956	6,645,052	5,067,956
Provisions and accruals	114,009	45,162	1,792,494	4,500
Capital raising costs	111,137	148,171	111,137	148,171
	6,415,496	5,261,289	8,548,683	5,220,627

(d) THERE ARE NO DEFERRED TAX LIABILITIES.

No income tax is payable by the Group. The directors have considered it prudent not to bring to account the future income tax benefit of income tax losses and exploration deductions until there is virtual certainty of deriving assessable income of a nature and amount to enable such benefit to be realised.

The benefit of these losses and timing differences will only be obtained if:

- the group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.
- the Company continues to comply with the condition of deductibility imposed by the group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.
- the Company continues to comply with the condition of deductibility imposed by law; and
- no changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the loss.

4. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

5. TRADE AND OTHER RECEIVABLES

(a) CURRENT

Accounts receivable	366,175	655,723	1,613,012	638,101
Accrued interest	4,398	6,689	4,398	6,689
Prepayments	88,185	1,298	45,986	1,298
Prepaid share issue expenses	508,186	-	-	-
Goods and services tax receivable	173,070	58,266	157,264	58,266
	1,140,014	721,976	1,820,660	704,354

(b) NON-CURRENT

Loans to controlled entities	-	-	5,638,812	5,246,903
Less: provision for non-recovery	-	-	(5,602,951)	(5,104,638)
Security Bond	60,840	17,810	53,340	10,310
	60,840	17,810	89,201	152,595

6. OTHER FINANCIAL ASSETS (CURRENT)

Other financial assets	312,854	225,671	312,854	225,671
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Other financial assets are investments in listed entities valued at the fair market value in accordance with the quoted market price at 30 June 2007

Notes to the Financial Statements continued

30 JUNE 2007

Notes	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$

7. INVESTMENT IN URANEX NL

(a) SUMMARY

Goldstream Mining NL retains a significant interest in Uranex NL of 39.5%. Uranex NL is a focussed uranium explorer incorporated in Australia. It operates with a 30 June reporting date, and the 30 June 2007 numbers have been provided for the purposes of this report.

The investment in Uranex has been accounted for at cost in the Parent Entity, and accounted for using the Equity Method in the consolidated accounts in accordance with Goldstream Mining NL's significant interest.

Cost	330,020	330,020	164,970	164,970
Share of losses	(2,984,238)	(868,071)	-	-
Unrecognised share of losses	2,654,218	538,051	-	-
Carrying Value	-	-	164,970	164,970

(b) FAIR MARKET VALUE

The following information provides the fair market value of Goldstream Mining NL's holding in Uranex NL at the 30 June 2007 closing market value of \$1.91 cents per share:

	No. Shares	Market Value	Market Value
Goldstream Mining NL	16,495,100	31,505,641	6,268,138
Continental Nickel NL	16,495,000	31,505,450	6,268,100
Pan African Resources NL	10,000	19,100	3,800
	33,000,100	63,030,191	12,540,038

(c) FINANCIAL INFORMATION

Summarised financial information for Uranex NL

Group's share of

	2007	2006
	39.5%	43.6%
Assets	6,761,169	3,635,557
Liabilities	(202,812)	(156,157)
	6,558,357	3,479,400
Revenue	258,887	81,434
Expenses	(2,375,054)	(949,812)
	(2,116,167)	(867,812)

(d) EXPENDITURE COMMITMENTS

Goldstream Mining NL's share of Uranex NL's expenditure commitments are as follows:

Exploration Commitments (less than 1 year)	1,256,903	1,220,510
Remuneration Commitments (less than 1 year)	223,260	103,826
Remuneration Commitments (between 1 & 5 years)	352,456	161,189

Notes to the Financial Statements continued

30 JUNE 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
8. PROPERTY, PLANT AND EQUIPMENT					
At cost		195,153	575,651	140,847	282,660
Accumulated depreciation		(52,487)	(390,549)	(46,334)	(196,389)
		<u>142,666</u>	<u>185,102</u>	<u>94,513</u>	<u>86,271</u>

(a) Reconciliations

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year

Plant and equipment

Carrying amount at beginning		185,102	236,910	86,271	96,160
Exchange Differences		(10,055)	6,884	-	-
Additions		130,276	65,933	44,548	43,486
Disposals		(87,995)	(5,084)	(5,047)	(1,311)
Depreciation expense		(74,662)	(119,541)	(31,259)	(52,064)
Carrying amount at end		<u>142,666</u>	<u>185,102</u>	<u>94,513</u>	<u>86,271</u>

9. EXPLORATION EXPENDITURE

Expenditure incurred during the year		6,686,263	1,801,075	5,629,772	1,214,278
Expenditure written off during the year		(6,686,263)	(1,801,075)	(5,629,772)	(1,214,278)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The directors consider it prudent not to carry forward exploration and evaluation costs as an asset in the balance sheet.

10. TRADE AND OTHER PAYABLES (CURRENT)

Payables (creditors and accruals)		1,436,787	1,408,181	1,004,155	809,017
Unexpired JV Contributions		-	88,200	-	88,200
		<u>1,436,787</u>	<u>1,496,381</u>	<u>1,004,155</u>	<u>897,217</u>

11. PROVISIONS**(a) CURRENT**

Employee benefits		240,094	64,829	234,534	64,829
Office Restoration		44,334	-	44,334	-
		<u>284,428</u>	<u>64,829</u>	<u>278,868</u>	<u>64,829</u>

(b) NON-CURRENT

Employee benefits		-	52,710	-	52,710
Office Restoration		-	33,000	-	33,000
		<u>-</u>	<u>85,710</u>	<u>-</u>	<u>85,710</u>

Notes to the Financial Statements continued

30 JUNE 2007

12. ISSUED CAPITAL

(a) ISSUED AND PAID UP CAPITAL

	2007		2006	
	Number of shares	\$	Number of shares	\$
Ordinary shares fully paid	147,709,214	43,413,598	144,989,214	42,494,198
Ordinary shares partly paid	10,894,589	108,946	9,614,589	96,146
	158,603,803	43,522,544	154,603,803	42,590,344

(b) MOVEMENTS IN FULLY PAID SHARES ON ISSUE

	2007		2006	
	Number of shares	\$	Number of shares	\$
Beginning of the financial year	144,989,214	42,494,198	122,078,639	32,266,286
Placement of shares (net of cost)	1,300,000	520,000	14,000,000	7,438,200
Conversion of partly paid shares to fully paid shares	1,420,000	399,400	29,411	5,294
Share Purchase Plan and Placement (net of cost)	-	-	8,881,164	2,784,418
End of the financial year	147,709,214	43,413,598	144,989,214	42,494,198

(c) MOVEMENTS IN PARTLY PAID SHARES ON ISSUE

	Number of partly paid shares		Number of partly paid shares	
	2007	\$	2006	\$
Beginning of the financial year	9,614,589	3,769,886	8,834,000	3,386,380
Issued during the year	2,700,000	1,254,000	810,000	388,800
Converted to fully paid shares during the year	(1,420,000)	(399,400)	(29,411)	(5,294)
Less uncalled capital	-	(4,515,540)	-	(3,673,740)
End of the financial year	10,894,589	108,946	9,614,589	96,146

(d) ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote. Upon a poll, each fully paid share shall have one vote and each partly paid share shall have such number of votes as bears the same proportion to the total of such shares as the amount of the issue price thereof paid up bears to the total issue price.

Notes to the Financial Statements continued

30 JUNE 2007	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
13. RESERVES AND ACCUMULATED LOSSES					
(a) RESERVES					
Foreign currency translation reserve		367,461	(139,434)	-	-
Partly paid shares reserve		837,840	194,076	837,840	194,076
		<u>1,205,301</u>	<u>54,642</u>	<u>837,840</u>	<u>194,076</u>
Movements:					
<i>Foreign currency translation reserve</i>					
Balance at beginning of year		(139,434)	(32,032)	-	-
Currency translation differences arising during the year		506,895	(107,402)	-	-
Balance at end of year		<u>367,461</u>	<u>(139,434)</u>	-	-
<i>Partly paid shares reserve</i>					
Balance at beginning of year		194,076	-	194,076	-
Employee Share Remuneration		643,764	-	-	194,076
Balance at end of year		<u>837,840</u>	<u>194,076</u>	<u>837,840</u>	<u>194,076</u>
(b) ACCUMULATED LOSSES					
Balance at beginning of year		28,490,056	26,500,919	27,856,560	26,031,280
Net loss attributable to members of Goldstream Mining NL		8,674,367	1,989,137	7,823,667	1,825,280
Balance at end of year		<u>37,164,423</u>	<u>28,490,056</u>	<u>35,680,227</u>	<u>27,856,560</u>
(c) NATURE AND PURPOSE OF RESERVES					
<i>(i) Foreign currency translation reserve</i>					
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve, as described in note 1(i). The reserve is recognised in profit and loss when the net investment is disposed of.					
<i>(ii) Partly paid share reserve</i>					
The Partly paid share reserve is used to recognise the fair value of partly paid shares issued.					

Notes to the Financial Statements continued

30 JUNE 2007

	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$

14. STATEMENT OF CASH FLOWS

(a) RECONCILIATION OF OPERATING LOSS FOR THE YEAR AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

Operating loss for the year after income tax		(8,674,367)	(1,989,137)	(7,666,034)	(1,825,280)
Add / (deduct) non-cash items					
Foreign exchange loss		-	-	36,131	(24,495)
(Increase)/ decrease in foreign currency translation reserve		(506,895)	(149,558)	-	-
Effect of revaluation on translation from functional currency to reporting currency		32,756	-	-	-
Profit on sale of investments		(302,069)	(413,945)	(302,069)	(413,945)
Fair value adjustment of investments		(5,762)	23,389	(5,762)	61,009
Profit on sale of exploration properties		(52,212)	(433,287)	(51,000)	(204,950)
Loss / (profit) on sale of property, plant & equipment		84,051	(1,111)	1,103	80
Share of loss / (profit) from associates accounted for using the equity method		-	330,020	-	-
Depreciation		74,662	119,541	31,259	52,064
Exploration expenditure written off		6,686,263	1,801,075	5,629,772	1,214,278
Employee entitlements		122,555	28,872	116,995	28,872
Provision for non recovery of loans		-	-	1,074,125	420,591
JV Contributions to property, plant & equipment		-	(19,741)	-	-
Provision for office restoration		11,334	-	11,334	-
Employee share based remuneration		643,764	194,076	643,764	194,076
Changes in assets and liabilities					
(Increase) / decrease in receivables		1,769,194	551,392	(37,300)	551,958
Increase / (decrease) in creditors		(623,878)	177,458	63,790	185,257
Net cashflows (used in) / from operating activities		(740,604)	219,044	(453,892)	239,515

(b) RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash Balance comprises:

Cash at Bank	718,249	1,062,698	656,374	992,733
Cash at Deposit	6,823,602	13,491,139	6,823,602	13,491,139
Cash at Hand	1,007	350	1,006	250
Cash at end of year	7,542,858	14,554,187	7,480,982	14,484,122

Notes to the Financial Statements continued

30 JUNE 2007

15. INTERESTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

Name	Country of incorporation	Class of shares	Equity Holding*	
			2007 %	2006 %
Continental Nickel NL	Australia	Ordinary	100	100
Frugal Mining Pty Ltd	Australia	Ordinary	100	100
Pan African Resources NL	Australia	Ordinary	100	100
Tausi Mining Pty Ltd	Australia	Ordinary	90	90
Termite Resources NL	Australia	Ordinary	100	100
Thrifty Mining Pty Ltd	Australia	Ordinary	100	100
Zanzibar Gold Pty Ltd	Australia	Ordinary	92	92
Continental Nickel Ltd	Canada	Common	100**	-
Ngwena Ltd	Tanzania	Ordinary	100***	-
Duma Minerals (T) Ltd	Tanzania	Ordinary	100	100
Nyati Mining (T) Ltd	Tanzania	Ordinary	100	100
Pan African Resources (T) Ltd	Tanzania	Ordinary	92	92
Tausi Minerals Company Ltd	Tanzania	Ordinary	90	90
Warthog Resources (T) Ltd	Tanzania	Ordinary	100	100
Kudu Ltd	Tanzania	Ordinary	100	100
Goldstream Mozambique Limitada	Mozambique	Ordinary	100	100
Swynlay Pty Ltd	Australia	Ordinary	100	100
Rimfire Resources Ltd	Vanuatu	Ordinary	-	100
Noble Mineral Resources Pvt Ltd	India	Ordinary	100	100

*Percentage of voting power is in proportion to ownership

** Continental Nickel Ltd's Initial Public Offering closed oversubscribed on 2 August 2007 reducing Goldstream Mining NL's holding to 53% of the issued and outstanding shares.

*** Ngwena Ltd is a partly owned 30% by Goldstream and 70% by Continental Nickel Ltd, therefore Goldstream Mining NL as at 30 June 2007 has full ownership. Goldstream Mining NL's holding of Ngwena Ltd reduced to 67% on 2 August 2007 due to Continental Nickel Ltd's Initial Public Offering closing on 2 August 2007 which reduced Goldstream Mining NL's holding to 53% of the issued and outstanding shares.

Notes	Consolidated		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$

16. EXPENDITURE COMMITMENTS

(a) EXPLORATION COMMITMENTS

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

not later than one year	3,741,049	5,214,750	153,200	1,218,355
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Exploration expenditure commitments beyond twelve months cannot be reliably determined.

Notes to the Financial Statements continued

30 JUNE 2007	Notes	Consolidated		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$

(b) LEASE EXPENDITURE COMMITMENTS

Operating leases (non-cancellable):

Minimum lease payments

– not later than one year	180,548	122,817	180,548	122,817
– later than one year and not later than five years	635,412	61,408	635,412	61,408
Aggregate lease expenditure contracted for at reporting date	815,960	184,225	815,960	184,225

The property lease is a non-cancellable lease with a five-year term, expiring 31 December 2007. Rent is payable monthly in advance and rent reviews are made annually. The lease allows for sub-letting of all lease areas.

(c) REMUNERATION COMMITMENTS

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in note 22(b) that are not recognised as liabilities and are not included in the key management personnel compensation.

not later than one year	642,025	591,600	240,345	591,600
later than one year and not later than five years	1,786,981	939,900	180,261	939,900
	2,429,006	1,531,500	420,606	1,531,500

(d) OTHER COMMITMENTS

- The Group acquired mining tenements in Australia and India from Anglo American Group (“Anglo”). Anglo has a once only right to acquire a 70% interest in any prospect or prospects on any of the tenements. Upon definition of an Indicated Mineral Resource by Goldstream, Anglo must notify Goldstream of its intention to exercise its right to acquire a 70% interest in the tenement(s), hosting the resource. If Anglo elects to acquire a 70% interest, it may do so by sole funding exploration (that is carrying Goldstream’s 30% interest) through to completion of a Bankable Feasibility Study. Anglo will also pay to Goldstream a cash amount equivalent to 200% of Goldstream’s expenditure on the tenement(s) hosting the resource up to the point of Anglo’s election. Should Anglo not exercise its right to acquire that 70% interest, Goldstream will have 100% of the resource and Anglo will be entitled to a 2% Net Smelter Royalty. Goldstream has undertaken to spend a minimum of \$1.5 million on the tenements as long as they remain in existence.
- Anglo American Investments Ltd (a wholly owned subsidiary of Anglo American Plc) has the right to maintain its shareholding in the Company at 8% by participating in share placements at the average market price.

17. SUBSEQUENT EVENTS

On 9 July 2007, Continental Nickel Ltd, a wholly owned subsidiary of Goldstream Mining NL, issued a Canadian prospectus to raise a minimum of \$13,500,000 Canadian dollars to a maximum of \$16,500,000 Canadian dollars, including an Australian sub offering of \$3,850,000 Canadian dollars. The raising was oversubscribed. Continental Nickel Ltd subsequently listed on the Toronto Stock Exchange on 7 August 2007.

No other matter or circumstance has arisen since 30 June 2007 which has significantly affected, or may significantly affect the operations of the Group, the result of those operations, or the state of affairs of the Group in subsequent years.

Notes to the Financial Statements continued

30 JUNE 2007

(b) REMUNERATION POLICY OF KEY MANAGEMENT PERSONNEL

Due to its size, the Company does not have a remuneration committee.

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

Non-Executive Directors

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 (currently \$200,000).

Directors Fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs service 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.

Currently, Johann Jooste-Jacobs, Terrence Robson and Stephen Hunt are remunerated by way of directors' fees.

Service Agreements

The Agreements relating to remuneration are set out below:

Duncan McBain - Managing Director

- Term of agreement - 3 years commencing 30 March 2006.
- Mr McBain will be paid the sum of \$210,000 per annum plus the statutory superannuation guarantee of 9%.
- The agreement and the employment created by it may be terminated by either Goldstream Mining NL or Mr McBain by that party giving the other six months written notice.
- Mr McBain's remuneration will be reviewed annually and notwithstanding that review Goldstream has agreed to increase Mr McBain's salary by at least 5% per year.

Geoffrey Wallace - Executive Director/Company Secretary

- Term of agreement - 3 years commencing 1 January 2005, resigned 3 July 2007.
- Mr Wallace was paid the sum of \$177,000 per annum and \$35,000 as directors fees charged to Uranex NL, plus the statutory superannuation guarantee of 9%.
- Mr Wallace's remuneration will be reviewed annually and notwithstanding that review Goldstream has agreed to increase Mr Wallace's salary by at least 5% per year.

The agreement and the employment created by it may be terminated by either Goldstream Mining NL or Mr Wallace by that party giving the other six months written notice.

Robert Edwards – Exploration Manager

- Term of agreement - 3 years commencing 1 January 2005, resigned 31 December 2006.
- Mr Edwards was paid the sum of \$169,000 per annum plus the statutory superannuation guarantee of 9%.
- The agreement and the employment created by it may be terminated by either Goldstream Mining NL or Mr Edwards by that party giving the other six months written notice.
- Mr Edward's remuneration will be reviewed annually and notwithstanding that review Goldstream has agreed to increase Mr Edward's salary by at least 5% per year.

Notes to the Financial Statements continued

30 JUNE 2007

(c) DIRECTORS AND EXECUTIVES REMUNERATION (KEY MANAGEMENT PERSONNEL)

Remuneration of directors and key management personnel is disclosed in the Director's Report.

(d) RELATED PARTY TRANSACTIONS

Transactions with Directors Related Entities

Identity of Related Party	Nature of Relationship	Type of Transaction	Terms & Conditions of Transaction	Aggregate Amount
Mr S B Hunt – Director and shareholder of Minerals and Metals Marketing Pty Ltd	Director of parent entity	Consulting fees paid to Minerals and Metals Marketing Pty Ltd	Normal commercial terms	\$150,995 (2006: \$13,750)
Mr T A Robson – Director and shareholder of T A Robson Pty Ltd	Director of parent entity	Consulting fees paid to T A Robson Pty Ltd	Normal commercial terms	\$2,321 (2006: \$1,485)
Ms E Ellingham - Director and shareholder of Ellingham Consulting Ltd	Director of Continental Nickel Ltd	Consulting Fees paid to Ellingham Consulting Ltd	Normal commercial terms	\$122,737 (2006: nil)
Mr G S Kenway – Director and shareholder of Nown Pty Ltd	Director of parent entity	Consulting fees paid to Nown Pty Ltd	Normal Commercial terms	(2006: \$37,500)

Transactions with Associated Companies

Identity of Related Party	Nature of Relationship	Type of Transaction	Terms & Conditions of Transaction	Aggregate Amount
Uranex NL	39.5% ownership of Uranex NL	Service agreement for sharing of rental premises and personnel	Normal commercial terms	\$430,588 (2006: \$733,994)

Notes to the Financial Statements continued

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(e) DIRECTORS' HOLDING OF SHARES

i) Fully Paid Shares

	Balance 1 July 2006 Number	Conversion of Partly Paid Shares	Other Changes	Balance 30 June 2007
Specified Directors:				
J C Jooste-Jacobs (appointed 12 August 2007)	-	-	-	-
D R McBain	175,000	-	-	175,000
T A Robson	99,582	120,000	-	219,582
S B Hunt (appointed 3 July 2007)	-	-	20,000	20,000
G J Wallace (resigned 4 July 2007)	1,417,178	-	-	1,417,178
Total	1,691,760	120,000	20,000	1,831,760
Specified Executive:				
B Manzi	20,710	-	-	20,710
K G France	28,780	-	-	28,780
R G Edwards (resigned 31 December 2006)	976,469	-	-	976,469
Total	1,025,959	-	-	1,025,959

(f) DIRECTORS' HOLDING OF SHARES

ii) Partly Paid Shares

	Balance 1 July 2006 Number	Conversion of Partly Paid Shares	Other Changes	Balance 30 June 2007
Specified Directors:				
D R McBain	-	-	1,500,000	1,500,000
T A Robson	720,000	(120,000)	300,000	900,000
G J Wallace	1,200,000	-	600,000	1,800,000
Total	1,920,000	(120,000)	2,400,000	4,200,000
Specified Executive:				
B Manzi	130,000	-	300,000	430,000
K G France	15,000	-	-	15,000
R G Edwards	1,800,000	-	-	1,800,000
Total	1,945,000	-	300,000	2,245,000

22. RELATED PARTY DISCLOSURES

(a) PARENT ENTITY

Goldstream Mining NL is the ultimate Australian parent entity of the consolidated entity. Goldstream Mining NL is a company limited by shares that is incorporated and domiciled in Australia.

(b) WHOLLY-OWNED GROUP TRANSACTIONS

Controlled entities made payments and received funds on behalf of Goldstream Mining NL and other controlled entities by way of inter-Company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand, however demand for repayment is not expected in the next twelve months.

(c) KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in the Director's Report

Notes to the Financial Statements continued

30 JUNE 2007

23. SEGMENT INFORMATION

Segment products and locations

The consolidated entity's operations are in the mining industry. Geographically, the group operates in five countries, being Australia, Tanzania, India, Canada and Mozambique. The group ceased operating in Vanuatu during the year. The head office and investment activities of the group take place in Australia.

Geographic segments	Segment Revenue		Segment Losses		Segment Assets		Segment Liabilities	
	2007	2006	2007	2006	2007	2006	2007	2006
	\$	\$	\$	\$	\$	\$	\$	\$
Geographical Location								
Australia	2,443,983	1,423,466	7,848,354	1,539,556	15,408,661	20,765,231	2,885,610	2,432,994
Tanzania	28,523	217,704	1,169,075	451,479	118,580	178,605	4,421,208	3,715,193
India	-	(3,231)	24,708	34,344	9,943	7,813	-	169,824
Mozambique	-	-	103,592	-	1,163	-	102,775	-
Canada	-	-	592,118	-	556,230	-	1,206,967	-
Vanuatu	-	-	-	(37,620)	-	-	-	575,812
Inter-segment eliminations	-	-	(1,075,179)	-	(6,895,345)	(5,246,903)	(6,895,345)	(5,246,903)
Total	2,472,506	1,637,939	8,662,668	1,987,759	9,199,232	15,704,746	1,721,215	1,646,920

Geographic segments	Capital Expenditure		Depreciation	
	2007	2006	2007	2006
	\$	\$	\$	\$
Australia	44,548	42,755	31,259	52,064
Tanzania	49,951	23,179	37,793	67,477
India	-	-	-	-
Mozambique	-	-	-	-
Canada	18,529	-	5,610	-
Vanuatu	-	-	-	-
Consolidated	113,028	65,934	74,662	119,541

24. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) INTEREST RATE RISK

The Group is exposed to movements in market interest rates on short-term deposits. The group ensures a balance is maintained between the liquidity of cash assets and the interest rate return.

The Group's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at the balance date, are as follows:

	Weighted Average Interest Rate	Variable Interest Rate \$	Fixed Interest Rate \$	Non Interest Bearing \$	Total \$
2007					
Financial assets					
Cash and cash equivalents	6.3%	7,542,858			7,542,858
Trade and other receivables				1,200,854	1,200,854
Shares in listed companies				312,854	312,854
		7,542,858		1,513,708	9,056,566
Financial liabilities					
Trade and other payables				1,436,787	1,436,787
Employee entitlements				284,428	284,428
				1,721,215	1,721,215
Net financial assets		7,542,858		(207,507)	7,335,351

Notes to the Financial Statements continued

30 JUNE 2007

	Weighted Average Interest Rate	Variable Interest Rate \$	Fixed Interest Rate \$	Non Interest Bearing \$	Total \$
2006					
Financial assets					
Cash and cash equivalents	6.6%	14,554,187	-	-	14,554,187
Trade and other receivables		-	-	739,786	739,786
Shares in listed companies		-	-	225,671	225,671
		<u>14,554,187</u>	<u>-</u>	<u>965,457</u>	<u>15,519,644</u>
Financial liabilities					
Trade and other payables		-	-	(1,496,381)	(1,496,381)
Employee entitlements		-	-	(64,829)	(64,829)
		<u>-</u>	<u>-</u>	<u>(1,561,210)</u>	<u>(1,561,210)</u>
Net financial assets		<u>14,554,187</u>	<u>-</u>	<u>(595,753)</u>	<u>13,958,434</u>

Consolidated Entity

2007	2006
\$	\$

Reconciliation of net financial assets to net assets

Net financial assets as above	7,335,351	13,958,434
Add Non Current Assets	142,666	185,102
Less Non Current Liabilities	-	(85,710)
	<u>7,478,017</u>	<u>14,057,826</u>

Recognised Financial Instrument	Balance Sheet Notes	Accounting Policies	Terms & Conditions
i) Financial Assets			
Receivables – Other	5	Receivables are carried at nominal amounts due	
Investments	7	Investments are carried at market value where market prices are readily available, or at cost subject to impairment testing.	
ii) Financial Liabilities			
Payables	10	Liabilities are recognised for the amounts to be paid in the future for goods and services received, whether or not billed to the Company.	Trade liabilities are nominally settled on 30 day terms.
Interest bearing liabilities	10	Other loans are carried at the principal amount. Interest is charged as it accrues.	
iii) Equity			
Ordinary Shares	12	Ordinary share capital is recognised at the issue price of the shares less capital raising costs.	

Notes to the Financial Statements continued

30 JUNE 2007

(b) NET FAIR VALUES

All financial assets and liabilities have been recognised at the balance date at amounts approximating their carrying value.

(c) CREDIT RISK EXPOSURES

The Group has accounts receivable arising primarily through transactions with associate companies, joint venture partners and government authorities. The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements.

The Group monitors its accounts receivable and provides for doubtful debts to the extent it considers the Group to be exposed to any credit risk. As the Group does not have any trading debtors or significant stock levels, a formal credit risk management policy is not maintained.

(d) FOREIGN CURRENCY RISK

The Group is exposed to fluctuations in foreign currencies arising from exploration commitments in currencies other than Australian dollars, the group's presentation currency.

The Group operates internationally and is primarily exposed to foreign exchange risk arising from currency exposures to the United States Dollar, the Canadian Dollar, Indian Rupees Mozambique New Meticals and to Tanzanian Schillings.

The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements, and retains the right to withdraw from the foreign exploration commitments after the minimum expenditure targets have been met.

25. JOINT VENTURE

The Company has interests in unincorporated joint ventures as follows:

Joint Venture	Principal Activities	Interest	Interest	Carrying value
		2007	2006	30 June 2007
Buhemba	Mineral exploration whereby Randgold Resources Limited may earn a 65% interest in the tenement by sole funding exploration to completion of a pre-feasibility study within five years. Randgold may earn a further 5% by completing a bankable feasibility study within a further two years. Randgold has committed to a minimum annual expenditure of US\$100,000.	92%	92%	-
Dingo Well	Mineral exploration whereby Regis Resources NL may earn a 70% interest by expending \$850,000.	100%	100%	-
Luwumbu	Mineral exploration whereby Lonmin Plc may earn up to 70% equity in the project area by sole funding exploration to completion of a feasibility study within 6 years.	90%	90%	-
Mibango	Mineral exploration whereby Lonmin Plc may earn up to 60% equity in the project by sole funding exploration to completion of a feasibility study within 5 years. If Lonmin arranges or provides development funding to Goldstream, Lonmin will earn a further 5% interest in the project area.	100%	100%	-

Notes to the Financial Statements continued

30 JUNE 2007

The joint ventures are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit. Refer to Note 17 for exploration commitments. The Group has the following royalty interests:

Gawler and Curnamona	A 1% net smelter return on EL 2874.
Craton	A \$1 per metric tonne for ore mined and treated royalty from EL 3258, up to \$2,000,000.

26. EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS

(a) SUPERANNUATION COMMITMENTS

The Group contributes to superannuation for employees in accordance with the Government Superannuation Guarantee Legislation. The Group has no obligation to meet any shortfall in the superannuation funds obligations to provide benefits to employees on retirement.

(b) EMPLOYEE SHARE SCHEME

An employee share scheme has been established where employees and consultants of the Group are issued with partly paid shares of Goldstream Mining NL. The partly paid shares, paid to one cent, are issued in accordance with the Company's Employee Share Incentive Plan. The issue price of the shares shall not be less than eighty per cent of the average price of the sale of the Company's ordinary shares on the ASX within one month prior to the date of issue. The shares will not be quoted on the ASX until fully paid.

During the year 2,700,000 partly paid shares were issued under this scheme to eligible employees and consultants and 1,420,000 partly paid shares were converted to fully paid shares.

As at 30 June 2007 there were 10,894,589 partly paid shares on issue.

Directors' Declaration

In accordance with a resolution of the directors of Goldstream Mining NL, I state that:

- (1) In the opinion of the directors:
 - (a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2007 and their performance for the financial year ended on that date; and
 - (ii) complying with Accounting Standards and Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
 - (c) the audited remuneration disclosures as set out in the Director's Report comply with Accounting Standards AASB 124 Related Party Disclosures and the Corporations Regulations 2001.
- (2) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2007.

On behalf of the board



T A Robson
Director

PERTH
28 September 2007

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDSTREAM MINING NL

Report on the Financial Report

We have audited the accompanying financial report of Goldstream Mining NL, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes 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 Goldstream Mining NL are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1, the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report of the Group, comprising the financial statements and notes, complies with International Financial Reporting Standards, but that the financial report of the Company does not comply.

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

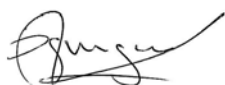
Auditor's Opinion

In our opinion:

- (a) the financial report of Goldstream Mining NL is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.
- (b) the financial report of the Group also complies with International Financial Reporting Standards as disclosed in note 1.

STANTONS INTERNATIONAL (An Authorised Audit Company)

Stantons International



**Keith Lingard
Director**

West Perth, Western Australia
28 September 2007

28 September 2007

Board of Directors
Goldstream Mining NL
Level 2, 28-42 Ventnor Avenue
WEST PERTH WA 6005

Dear Directors

RE: GOLDSTREAM MINING NL

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Goldstream Mining NL.

As Audit Director for the audit of the financial statements of Goldstream Mining NL for the year ended 30 June 2007, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

STANTONS INTERNATIONAL
(Authorised Audit Company)



Keith Lingard
Director

ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 24 September 2007.

(a) DISTRIBUTION OF EQUITY SECURITIES

The number of shareholders, by size of holding, in each class of share are:

		Ordinary shares		Partly paid shares	
		Number of holders	Number of shares	Number of holders	Number of shares
1	- 1,000	267	202,134	-	-
1,001	- 5,000	916	2,762,627	1	5,000
5,001	- 10,000	607	5,081,392	1	9,000
10,001	- 100,000	1169	38,927,150	11	770,000
100,001	and over	207	100,735,911	14	10,110,589
		3,166	147,709,214	27	10,894,589
The number of shareholders holding less than a marketable parcel of shares are:		274	209,340		

The partly paid shares are held by a trustee company of the Goldstream Mining Employees Share Incentive Plan for the benefit of employees and consultants of the Company.

(b) TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	Anglo American Investments (Aust) Limited	9,147,770	6.19%
2	ANZ Nominees Limited	6,845,881	4.63%
3	Citicorp Nominees Pty Limited	6,215,587	4.21%
4	Truscott, John Whitford	4,730,000	3.20%
5	HSBC Custody Nominees	2,766,465	1.87%
6	Rogers, GA & MA Cook	2,626,076	1.78%
7	Traoj Pty Ltd	2,500,000	1.69%
8	National Nominees Limited	2,194,001	1.49%
9	Ankaa Springs Pty Ltd	1,746,183	1.18%
10	South Boulder Mines Ltd	1,500,000	1.02%
11	Your Child's Nursery Pty Ltd	1,500,000	1.02%
12	Melanto Pty Ltd	1,278,985	0.87%
13	Brywall Pty Ltd	1,251,280	0.85%
14	Moffatt, Allan H & S M	1,182,559	0.80%
15	Rogers, Graham Anthony	1,114,026	0.75%
16	Hardings Trading Pty Ltd	1,000,000	0.68%
17	Edex Resources Pty Ltd	954,594	0.65%
18	Norgo Nominees Pty Ltd	931,582	0.63%
19	G F S Holdings Pty Ltd	921,288	0.62%
20	Performance Group Pty Ltd	881,693	0.60%
		51,287,970	34.73%

ASX Additional Information continued

(c) SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
Anglo American Investments (Aust) Limited	9,147,770

(d) Tenement Schedule

Tenement Number	Tenement Name	Locality	Group Ownership
EL24080	Mt Theo West	Northern Territory	Application
EL24024	Stirling	Northern Territory	100
EL24081	Taylor Creek	Northern Territory	100
EL3729	Warrina North	South Australia	100
EL3730	Warrina South	South Australia	100
EL3387	Mt Paisley	South Australia	100
EL3445	Kangaroo Dam	South Australia	100
EL3518	Mt Woods	South Australia	100
EL3531	Trumpeter	South Australia	100
ML App	Cairn Hill	South Australia	100
MC3744		South Australia	100
MC3745		South Australia	100
MC3746		South Australia	100
MC3747		South Australia	100
MC3748		South Australia	100
MC3749		South Australia	100
MC3750		South Australia	100
MC3751		South Australia	100
MC3752		South Australia	100
MC3753		South Australia	100
MC3754		South Australia	100
MC3755		South Australia	100
MC3756		South Australia	100
MC3757		South Australia	100
MC3758		South Australia	100
MC3759		South Australia	100
MC3760		South Australia	100
MC3761		South Australia	100
MC3762		South Australia	100
MC3763		South Australia	100
MC3764		South Australia	100
MC3765		South Australia	100
MC3766		South Australia	100
MC3767		South Australia	100
MC3768		South Australia	100
MC3769		South Australia	100
MC3770		South Australia	100
MC3771		South Australia	100
MC3772		South Australia	100
MC3773		South Australia	100
MC3774		South Australia	100
MC3775		South Australia	100
MC3776		South Australia	100
EL17/2007	Dunns	Tasmania	100
EL46/2006	Smithton	Tasmania	100
EL47/2006	Mt Frankland	Tasmania	100
EL48/2006	Mt Lileah	Tasmania	100
EL49/2006	West Montagu	Tasmania	100

ASX Additional Information continued

M37/1084	Dingo Well 09	Western Australia	100
M37/1085	Dingo Well 10	Western Australia	100
M37/841	Dingo Well 01	Western Australia	100
M37/842	Dingo Well 02	Western Australia	100
M37/843	Dingo Well 03	Western Australia	100
M37/844	Dingo Well 04	Western Australia	100
M37/845	Dingo Well 05	Western Australia	100
M37/846	Dingo Well 06	Western Australia	100
M37/847	Dingo Well 07	Western Australia	100
M37/848	Dingo Well 08	Western Australia	100
M38/585	Euro	Western Australia	100
E37/890		Western Australia	100
E37/904		Western Australia	100
E37/905		Western Australia	100
P37/7326		Western Australia	100
P37/7327		Western Australia	100
P37/7328		Western Australia	100
P37/7329		Western Australia	100
P37/7330		Western Australia	100
P37/7331		Western Australia	100
P37/7332		Western Australia	100
P37/7333		Western Australia	100
P37/7334		Western Australia	100
P37/7335		Western Australia	100
P37/7336		Western Australia	100
P37/7337		Western Australia	100
P37/7338		Western Australia	100
P37/7339		Western Australia	100
P37/7340		Western Australia	100
P37/7341		Western Australia	100
P37/7342		Western Australia	100
P37/7343		Western Australia	100
P37/7344		Western Australia	100
P37/7345		Western Australia	100
P37/7346		Western Australia	100
P37/7347		Western Australia	100
P37/7348		Western Australia	100
P37/7349		Western Australia	100
P37/7350		Western Australia	100
PL2457/2004	Matava	Tanzania	90
No:216-04/05	Kapalagulu Airstrip	Tanzania	100
PL2242/2003	Wasosi	Tanzania	100
PL2337/2003	Majengo	Tanzania	90
PL2338/2003	Nkwie	Tanzania	90
PL2339/2003	Kisanga	Tanzania	90
PL2340/2003	Lupila	Tanzania	90
PL2341/2003	Luwumbu B2	Tanzania	90
PL2342/2003	Muhumbi	Tanzania	90
PL2376/2003	Katobala	Tanzania	100
PL2377/2003	Mibango	Tanzania	100
PL2765/2004	Tandala	Tanzania	90
PL2766/2004	Lusawa	Tanzania	90
PL2767/2004	Kipengere	Tanzania	90
PL2861/2004	Mt Luwumbu	Tanzania	90
PL3318/2005	Lufirio South	Tanzania	100
PL3319/2005	Nkenja	Tanzania	100
PL3390/2005	Mapuli	Tanzania	100
PL3403/2005	Mwese	Tanzania	100
PL3448/2005	Sinanga	Tanzania	100

ASX Additional Information continued

PL3450/2005	Sipala Hill	Tanzania	100
PL3451/2005	Tembwe	Tanzania	100
PL3456/2005	Mnimba	Tanzania	100
PL3571/2005	Manyarawa	Tanzania	100
PL3860/2005	Pembamwitu	Tanzania	100
PL3861/2005	Lake Tanganyika	Tanzania	100
PLR2515/2004	Nachingwea B1	Tanzania	100
PLR2516/2004	Nachingwea B2	Tanzania	100
PLR2684/2004	Kidete	Tanzania	100
PL4094/2007	Busonawae II	Tanzania	100
PL4120/2007	Lupanga	Tanzania	100
PL4303/2006	Kongamale	Tanzania	100
PL4306/2006	Mbuti	Tanzania	100
PL4307/2007	Namatutwa	Tanzania	100
PL4414/2007	Lipuyu	Tanzania	100
PL4415/2007	Nachihangi	Tanzania	100
PL4416/2007	Mjembe	Tanzania	100
PL4417/2007	Nangano	Tanzania	100
PL4418/2007	Noli	Tanzania	100
PL4419/2007	Namatumbusi	Tanzania	100
PL4421/2007	Lionja	Tanzania	100
PL4422/2007	Ntaka	Tanzania	100
PL4423/2007	Mnero	Tanzania	100
PL4424/2007	Mtua	Tanzania	100
PL4464/2007	Namajani	Tanzania	100
PL4465/2007	Nambugu	Tanzania	100
PL4466/2007	Nambu	Tanzania	100
PL4485/2007	Lukuledi	Tanzania	100
PL4486/2007	Nanyindwa	Tanzania	100
PLR4138/2007	Kitulo	Tanzania	100
PLR4163/2007	Isenyela	Tanzania	100
PLR4224/2007	Iguzi West	Tanzania	100
PLR4305/2007	Mpinga	Tanzania	100
PL2444/2004	Kapalagulu	Tanzania	100
1656L		Mozambique	100
1703L		Mozambique	100
1704L		Mozambique	100
1705L		Mozambique	100
1706L		Mozambique	100
1707L		Mozambique	100
1708L		Mozambique	100
1709L		Mozambique	100
1710L		Mozambique	100
1711L		Mozambique	100
1712L		Mozambique	100
1713L		Mozambique	100
1714L		Mozambique	100
1715L		Mozambique	100
1716L		Mozambique	100