GOLD ANOMALY

ANNUAL REPORT

For the year ended 30 June 2011

Drilling for Success

CORPORATE DIRECTORY

Directors

G B Starr (Executive Chairman)
J D Collins-Taylor (Non-executive Director)
T M Fermanis (Non-executive Director)
R P Macnab (Non-executive Director)
J S Spence (Non-executive Director)

Company Secretary

J A Lemon

Registered office

Level 4,
15 – 17 Young Street,
Sydney NSW 2000
AUSTRALIA

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email: info@goldanomaly.com.au

ABN

75 067 519 779

Website address

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Share registry

Link Market Services Limited
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324 Queen Street
Brisbane QLD 4000
AUSTRALIA

Postal Address
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15 – 17 Young Street
Sydney NSW 2000
AUSTRALIA

Telephone: + 61 2 9241 4224
Facsimile: + 61 2 9252 2335

Auditors

PKF

ASX Listing

Gold Anomaly Limited shares and options are quoted on the Australian Securities Exchange as codes "GOA" and "GOAOA" respectively.

SHAREHOLDER CALENDAR

- Annual General Meeting: November 2011
- Annual Report: September 2011
- Half Yearly Report: March 2012
- Quarterly Activities Report: last week of October, January, April and July

Gold Anomaly's current focus is:

- ***the exploration of the potential world class Crater Mountain project;***
- ***exploration success at its Sao Chico gold project in Brazil;***
- ***evaluation of the mineralisation discovered at Croydon Qld. Australia; and***
- ***progressing the Fergusson Island gold project in PNG.***

GOLD ANOMALY

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ANNUAL REPORT

For the year ended 30 June 2011

Contents

Dear Shareholders,

The past twelve months have been very exciting for Gold Anomaly Limited and its subsidiary companies ("GOA" or the "Company") with excellent progress made at the Company's flagship Crater Mountain Project ("the Project") in Papua New Guinea (PNG).

Prior to the start of the period, an access road had recently been completed which included benching to test below the ash cover of the prospect, and a sampling and trenching programme incorporating nearly 400 surface samples had begun. Twelve months on and the Company has launched a new 10,000 metre drilling program as a result of very encouraging results from its maiden 2,632m drilling campaign.

At a time of record gold prices, and with investment excitement in major PNG gold discoveries sparked by Newcrest's recent drilling success at the Wafi Golpu gold copper deposit, GOA believes that its focus on Crater Mountain will prove to be a successful 'company maker' strategy.

As more exploration work and drill holes are completed, the more the Company becomes increasingly confident that Crater Mountain will ultimately be shown to host a substantial gold deposit.

Crater Mountain, PNG (70%) [1]

Key Points

- Sampling and trenching programme confirms widespread gold occurrence at Nevera prospect
- Completion of GOA's maiden drilling program entailing 2,632 metres of diamond drilling
- 8 holes out of a total of 10 holes drilled into the Main zone to date have returned extensive mineralisation (130m+), primarily above 0.8 g/t Au
- Growing confidence that the Main Zone hosts large bulk tonnage gold deposit akin to Harmony/Newcrest's Hidden Valley mine
- Promising signs for locating prized deep "feeder zone" mineralisation system at depth similar to Barrick's Waruwari deposit at their Porgera gold mine
- High grade gold zone intersected below artisanal mine workings
- Follow-up 10,000 metre diamond drilling program launched
- [1] Earned 70% interest in the Project, set to increase to 80% via purchase of 10% from an existing minority partner following PNG Government approval.

Background

Crater Mountain comprises three contiguous exploration licences covering approximately 300 km2 in the Eastern Highlands Province of PNG. The Project is located 30km southwest from the Lufa Government Station, and approximately 50km from the regional capital of Goroka.

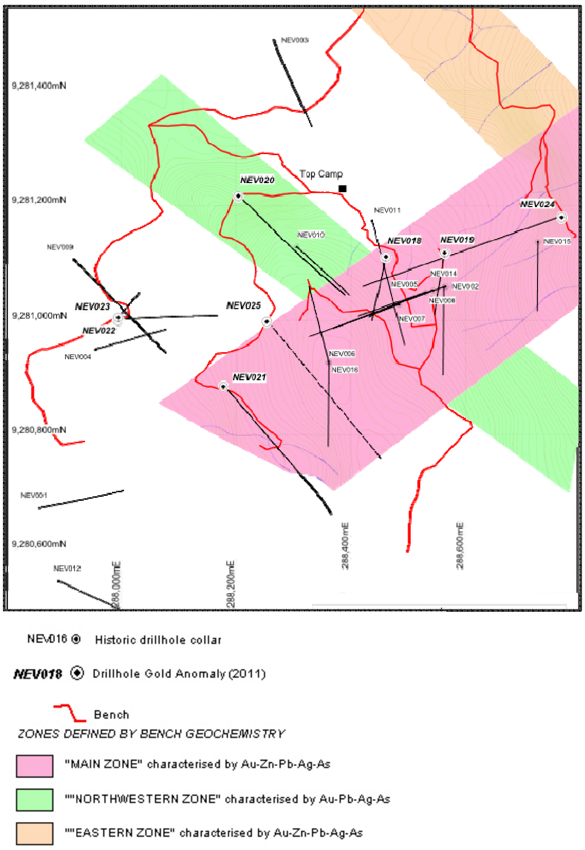
The Project was formerly owned by BHP until their withdrawal from all their PNG activities following issues arising from its Ok Tedi operation in the late 1990's. The excellent potential is underlined by BHP's classification of Crater Mountain at the time as a tier-1 asset (highest prospectivity). It was not readily identifiable by previous generations of explorers due to the presence of volcanic ash cover up to 10m thick.

GOA has earned a 70% interest in the Project. In November 2010 an agreement ("the Agreement") was entered into with joint venture partner New Guinea Gold Corporation to acquire their 10% interest in exchange for the issue of 31.25 million shares in GOA. The grant of PNG Government approval would take GOA's project interest to 80%. It is not currently clear whether the requisite approval has been granted in the time provided for in the Agreement and GOA is trying to verify the status.

Activities

During the year, the Company took major steps in advancing the Project.

Following the completion of a road to provide better access and exposure underneath the ash cover at Nevera in the first half of 2010, the Company commenced geological mapping and a mechanical benching programme. Nearly 400 5-metre long surface channel samples were collected, assisting in identifying drilling targets and revising the mineralisation model.



Maiden drill programme

In December 2010, the Company commenced its maiden drilling programme at the Nevera prospect at Crater Mountain.

The program consisted of six holes totalling 2,632 metres, labelled NEV018 to NEV023. Four deeper holes were drilled, with 3 holes drilled in the Main Zone all intersecting extensive gold mineralisation. One hole was drilled outside the Main Zone, within the Northwestern zone, encountering low grade gold mineralisation. The remaining two holes were shallower, targeting a zone previously mined by locals (the Artisanal Mining Zone), intersecting high grade near surface gold. Results are summarized by zone in the following tables.

Main Zone

NEV018	
22m to 306m	284m @ 0.82g/t Au including
20m to 36m	16m @ 1.92g/t Au
224m to 243m	19m @ 3.37g/t Au
262m to 306m	44m @ 1.52g/t Au

NEV019	
181m to 396m	215m @ 1.46g/t Au including
217m to 243m	26m @ 4.60g/t Au
272m to 318m	46m @ 2.42g/t Au

NEV021	
198m to 442m	244m @ 0.52g/t Au including
198m to 234m	36m @ 0.76g/t Au
324m to 360m	36m @ 0.77g/t Au
374m to 382m	8m @ 1.30g/t Au
586m to 596m	10m @ 0.86g/t Au

North West Zone

NEV020	
240m to 272m	32m @ 0.40g/t Au

Artisanal Mining Zone

NEV022	
44m to 90m	46m @ 5.90g/t Au including
44m to 48m	4m @ 7.62g/t Au
58m to 62m	6m @ 2.06g/t Au
74m to 76m	2m @ 98.0g/t Au
118m to 124m	6m @ 3.16g/t Au

NEV023	
38m to 48m	10m @ 0.45g/t Au
68m to 80m	12m @ 0.66g/t Au, including
76m to 78m	2m @ 2.04g/t Au

Note: All stated intersections of Gold Anomaly's maiden drilling program were calculated using a 0.20g/t Au cut-off grade, using a minimum intercept width of 2m, and a maximum of 4m of internal dilution. The intercept was calculated using a weighted average, whereby the summation of the individual sample grade is multiplied by the sample width then divided by the intercept length. Each sample is of half core and each sample length is 2m.

The maiden program has further increased confidence in the mineralisation model of Nevera, developed by Director – Exploration Mr Peter Macnab. The program confirmed the presence of a major altered and mineralised system underlying the northern end of Nevera, with the potential to define a large bulk tonnage gold deposit.

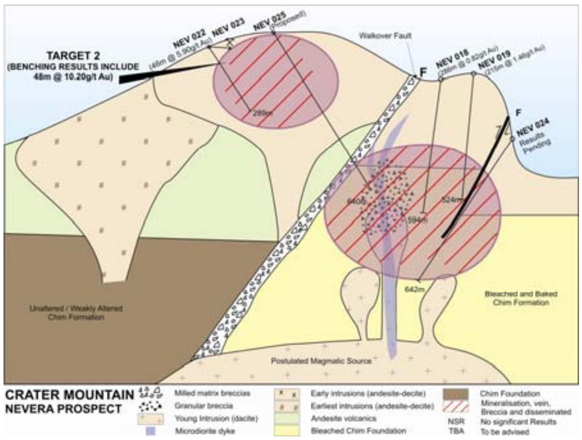
The model for Nevera is illustrated in diagram 1 below, and is viewed as possessing:

- carbonate base metal sulphide-gold mixing zone mineralisation (characterised in the Main Zone)
- low sulphidation, epithermal quartz-pyrite-gold mineralisation
- potential deeper "feeder zone" base metal sulphide-gold mineralisation related to the marginal porphyries and overlying apophyses of a large intrusion underlying the system and driving the mineralisation

The style of mineralisation is responsible for some of the most prolific gold producers in the Pac Rim including Barrick's Porgera and Misima mines, and Newcrest/ Harmony Gold's Wafi Link Zone and Hidden Valley mines in PNG.

Mixing zone mineralisation is characterised by metal bearing magmatic fluids reacting with downward migrating meteoric water (which may have a low ph) resulting in the precipitation of metals at a certain level in the mineralising system.

The deeper feeder zone which GOA is exploring for is associated with the postulated large magmatic intrusive which is responsible for the widespread mineralisation and alteration seen at the Nevera Prospect on Crater Mountain. The feeder zone is the conduit up which the mineralising fluids migrate and may be associated with bonanza style gold mineralisation.



Results from the Main Zone

Results from GOA's drilling within the Main Zone showed extensive gold mineralisation, mirroring results from previous explorers.

The results highlight the outstanding prospectivity of the Main Zone, where gold mineralisation with mixing zone characteristics has been intersected over a strike length of 400m and the mineralisation defined to date covers an area of approximately 400m x 150m x 150m.

These long mineralised holes provide highly promising signs of the presence of a large scale, bulk tonnage gold deposit.

Of note, there appears to be a strong correlation between surface Zn, Pb and Ag geochemistry and gold mineralisation at depth (within the mixing zone), important in determining future drill targets. This view is further supported with the results of NEV020, which intersected only low grades of gold, within an area devoid of elevated Zn at surface.

The results also infer the potential for a deeper feeder system i.e the interpreted deep-seated intrusion-related feeder zone. The postulated deep feeder zone is of great interest, given that such systems are featured within prominent, major PNG deposits such as Barrick's Waruwari deposit at Porgera.

Assay Results from the Main Zone

	Hole	Depth		Including		Intercept Length	Grade (COG 0.1g/t)
	NEV	From m	To m	From m	To m	Length m	Au grade g/t
BHP	002	201	340			139	1.58
TPJ/ MACMIN	005	94	250			156	1.36
	008	26	392			366	0.88
				200	378	178	1.30
	010	301	441			140	0.57
	011	144	349			205	0.86
GOA	018	20	306			286	0.82
				220	306	82	1.62
	019	181	396			215	1.46
	021	198	442			244	0.52

(average production 800koz pa Au across 21+ years).

Of significance, unlike the historic drill holes which did not penetrate as deep, NEV018 and NEV019 displayed 300m of baked and altered Chim Formation siltstones (with pyrite and base metal sulphide – carbonate veining) at the bottom of the holes. The extent of the baked and altered Chim Formation siltstones is a good indicator of a potential deep-seated intrusion-related feeder zone, similar to that formation found at Wafi/ Waruwari.

NEV021 has broad zones of gold mineralisation extending to the base of the hole, with veining in basement sediments assaying up to 4.12 g/t Au over 2m. This also points to the existence at depth of an unseen major intrusion driving the alteration and most likely the mineralisation.

While the potential for a deeper feeder system has been postulated, results from NEV018, NEV019 and NEV021 are further evidence of a major advancement in the understanding of the potential of Nevera.

High grade gold zone discovered

A near surface, high grade oxide gold zone has been identified, which has been the site of artisanal mining since 2005. Triple Plate Junction Plc ("TPJ") previously conducted trench sampling in the Artisanal Mining Zone, with results highlighting the high-grade nature of the zone, including:

- 48m at 10.2 g/t Au
- 20m at 11.6 g/t Au
- 26.5m at 6.27g/t Au
- 45m at 2.9 g/t Au
- 35m at 3.1 g/t Au

As part of the maiden drilling campaign, two holes - NEV022 and NEV023 - were drilled within the Artisanal Mining zone. In July 2011 assay results indicated that indeed high grade gold mineralisation was present within the zone. In particular, NEV022 encountered two gold zones:

a broad zone of 46m at 5.90 g/t Au (uncut grade); and

a second zone of 6m at 3.16 g/t Au.

Further drilling is planned to define the high grade gold zone. The style of mineralisation intersected in the Artisanal Mining zone is more epithermal in character and differs from that identified in the Main Zone.

The search for more of these shallow, high grade gold zones within Nevera and the adjoining prospects will be incorporated within future exploration programs.

Phase 4, 10,000 metre drill program launched

Following the success of the maiden drilling campaign, GOA launched the Phase 4, 10,000 metre follow up drill program at Nevera in June 2011.

The primary purpose of the program is two-fold:

- to define the potential scale and scope of the Main Zone; and
- to confirm the presence of the interpreted underlying mineralised 'feeder system',

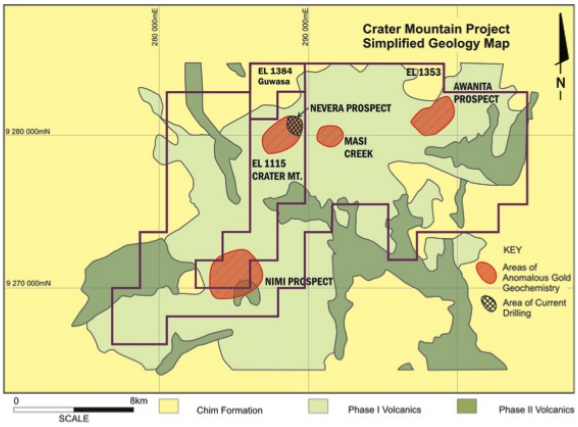
In addition, a number of holes will target the Artisanal Mining Zone to further define the high grade gold zone there.

As part of the program a rig, with the capability of drilling to a depth in excess of 1,000m, was mobilised to site in August 2011. The rig enables drilling to depths well beyond the extent of previous programs and will play a key role in both the hunt for the prized deep feeder zone, and determining the extent of the mixing zone.

At the time of printing, the first hole of the new program, NEV024, was completed to total depth of 642.4m. NEV024 was targeted to test the mineralisation below holes NEV018 and NEV019 (some ~200 metres deeper), potentially providing further insight into the extent of the mixing zone and possible deeper feeder zone.

Crater Mountain Regional exploration

The latest program will also expand the scope of exploration at Nevera and incorporate the adjoining prospects.



Exploration to date has focused primarily on the historically drilled northern part of Nevera, which accounts for less than 20% of that prospect's 6 km2 total area of interest. There is excellent potential for further discoveries within Nevera and in the adjoining areas.

Regional reconnaissance exploration has recently commenced with work being carried out in the Masi Creek and Awaunita Prospects, which are located 2 km and 6 km east of the Nevera prospect respectively with similar geological and geochemical characteristics. Work currently being undertaken between the Nevera and Masi Prospects is testing an interpreted link between these two prospects. This work is expected to also identify drill targets for future drilling.

Events subsequent to end of year

The legal steps required to register the Company's 70% interest in the Project were commenced in July 2011. It is hoped that these steps will be completed before the end of October 2011. As advised above, the Company is trying to ascertain the status of the application for approval by the PNG Government for the Company's purchase of New Guinea Gold Corporation's 10% share in the Project which would take the Company's total interest in the Project to 80%.

Sao Chico, Brazil (100% with 40% NPI Royalty)

Key Points

- Plant construction
- Trial mining undertaken
- Drilling commenced
- Farm-out arrangement with Kenai Resources Ltd

Background

Sao Chico is located in the world class 'Tapajos Gold Province', historically the largest alluvial gold field in Brazil. The region has attracted several major resources companies such as Rio Tinto, Barrick Gold, GoldFields and Kinross, as well as a plethora of junior resources companies. The project is located 54 kilometres south-east of the 2 million ounce gold resource Tocantinzinho project recently acquired by Eldorado Gold Corp for CAD$115 million and 23 kilometres southwest of the established Palito underground gold mine owned by Serabi Mining plc, in which Eldorado Gold Corp has acquired a 26.8% equity interest.

Activities

During the year the Company made progress on both the corporate and development fronts at Sao Chico, including processing of ore through the recently constructed gravity gold processing plant.

A key development was the execution of an option agreement with TSX-listed Kenai Resources Ltd (TSX: KAI) ("Kenai") in September 2010, introducing Kenai as farm-in partner. Kenai has significant expertise and established networks in the region that will expedite exploration and project preparation activities.

The agreement freed up capital and management's resources to focus on Crater Mountain, whilst ensuring that development at Sao Chico would still advance.

In November 2010 geological consultants Exploration Alliance Ltd were engaged to coordinate the technical work towards the demonstration of defined mineral resources at the project. D.E.N.M. Ltd ("DENM") was appointed as Project Manager in preparation for trial mining commencement. Later that month the Gekko gold gravity plant concentration units along with ancillary plant items arrived in Brazil from Australia.

In December 2010 an initial horizontal loop electromagnetic ground survey ("HLEM") over the main vein zone revealed the presence of two large anomalous conductive zones, most likely associated with pyritic mineralised zones in the basement granite. The persistence of the anomalism throughout all frequencies indicated significant depth extent.

In April, erection of the Gekko plant was completed and commissioning involving trial mining and processing commenced. This work determined that:

- While surface oxidised high-grade gold vein zones were identified, early mining indicated that there was insufficient ore feed tonnage for continuous plant operation.
- Initial gold ore grades delivered to the plant were low. This was attributable to the difficulty of mining very narrow gold-bearing veins with a high degree of

selectivity with the result that grade dilution and/or the waste material of mined (strip ratio) was significant.

- The plant could be run at its design throughput capacity of 10 tonnes per hour of feed treating oxidized surface material.
- The near surface ore needs to be gravity processed at a finer feed sizing than allowed for in the original design and plant configuration.

As a result of the difficult surface mining conditions and modifications required to the plant, plant operations were suspended to consider ongoing surface mining practices and potential underground mining and any associated required plant modifications (including the installation of a grinding (ball) mill and other circuit changes).

Underground sampling of the existing shallow shaft has demonstrated that the long term potential from sulphides is excellent with results demonstrating the nuggetty nature of the deposit and confirming the average grade of samples in excess of 15g/t Au.

The operation is expected to grow significantly in the year ahead, as the underground potential is investigated. Drilling will provide a better understanding of the ore body and form the basis of the feasibility study, in a precursor to application for a Mining Lease.

Events subsequent to end of year

The Company announced the commencement of a 3,000m drilling program on the back of the excellent underground sample results. The gold mineralization occurs in sub-parallel quartz sulphide vein structures hosted in granodiorite. At a vertical depth of 18 meters below the surface, 37 assay sample results from 13 sample sections were collected over the total drive length of 58 meters with a sample line approximately every 5 meters from west to east. The average grade and width is 17.7 g/t gold across 1.95 meters of the underground drive. The following table shows assay results in grams per tonne of gold for 13 sections and up to three samples per section, with Sections 1a, 1b and 13 at 0.5 meters, and all others at 1 meter intervals:

Channel Sample Section	Gold grades per sample		
#	g/t gold	g/t gold	g/t gold
1a	235.9	254.5	3.518
1b	2.128	0.430	0.198
2	0.333	7.390	1.060
3	20.39	49.34	
4	20.68	0.437	
5	1.026	16.78	
6	4.223	12.76	2.811
7	1.132	107.6	0.377
8	10.79	0.313	
9	0.736	6.48	0.379
10	0.224	1.562	35.03
11	0.453	74.12	0.266
12	0.038	0.177	
13	0.191	0.056	0.016

The gold analyses shown in the table above were by fire assay, at the Belo Horizonte laboratory of SGS Geosol.

Fergusson Island, PNG (moving to 100%)

Key Points

- Maiden JORC resource
- Issues with EL1070 (Gameta) nearing resolution
- Ownership consolidated

Background

The Fergusson Island gold project comprises two deposits, Wapolu and Gameta, located 30 kilometres apart on the north coast of Fergusson Island in PNG. The deposits lie within previous EL1025 and EL1070 respectively.

Both deposits are accessible by low cost water access due to their close proximity to the coast. Landowners are supportive of the project and its potential commercial development.

A prefeasibility study ("PFS") in 2004 indicated the potential for a 0.6-1.0Mtpa plant operating for 3–5 years and based on a gold grade of 2.2g/t Au from the Gameta deposit alone. Given that the PFS assumed a gold price of US$ 400/ oz, the project economics are certainly enhanced at recent gold prices in excess of US$1600/ oz.

Activities

During the year a maiden JORC-compliant resource at the Gameta deposit (EL1070) was defined. In December, a study by consulting geologists Hellman & Schofield Pty. Ltd estimated an Inferred Resource of 5.1 million tonnes at 1.8 g/t Au for 295,000 ounces of gold at a cut off grade of 1.0 g/t Au.

In April 2011, the Company announced that the PNG Mineral Resources Authority ("MRA") had refused to renew EL1070. At present, the Company is advancing discussions with the MRA to resolve this matter.

Of note, the MRA decision does not impact the Company's ownership of EL1025, containing the Wapolu deposit, and renewal of the tenement for a further two years has been submitted.

GOA believes the discussions with the MRA have been positive and that good grounds have been established that will ultimately result in the Company regaining ownership of the exploration licence containing Gameta.

Events subsequent to end of year

As a result of the above developments the Company, via its wholly owned PNG subsidiary company Gold Aura (PNG) Limited, finalised an amended agreement to consolidate a 100% interest in the project. Pursuant to the amended acquisition agreement, the Company issued 12 million shares and paid CAD$25,000 to acquire the remaining 33% interest in the project from TSX-listed Yamana Gold.

Croydon, Queensland, Australia (Gold Anomaly 100%)

Background

The Croydon project in north Queensland is located within an interpreted under cover extension of the world class Mt Isa/ Cloncurry mineral province that hosts the Mt Isa, Century, Earnest Henry and Cannington mines. The Project consists of two sub-projects, the Croydon Gold Project and the Croydon Polymetallic Project.

Significant vein style polymetallic (zinc, silver and tin) mineralisation has been identified in previous drilling undertaken by GOA. The mineralisation lies under approximately 100m of cover, some 35km north of Croydon

As a result of the Company's focus in PNG and the global financial crisis, no significant progress has been made at Croydon over the past 12 months. However, the Company is currently in the process of planning a renewal of exploration at Croydon, to utilise, in part, recently granted Queensland government grants that will finance 50% of the invoiced direct drilling costs up to a total of $300,000. The exploration program will involve the following:

Croydon Gold Project

- IP traversing, geological mapping and sampling at the Jolly Tar Prospect (EPMs 8795 and 9438).
- IP traversing and up to 1,400m drilling at the Gilded Rose Prospect (EPM 10302).
- Geological investigation, mapping and sampling in an area considered to hold potential for bulk low grade gold mineralisation (EPM 8795).

Croydon Polymetallic Project

- Gravity and IP surveying of the G1 (EPM 15989) and G3 (EPM 16003) residual gravity anomalies, which are considered to be prospective for tin, zinc and silver mineralisation. Drilling of up to two diamond cored holes at G1. Possibly one hole at G3.
- IP surveying at aeromagnetic anomaly A5 EPM 16002), followed by up to two diamond cored holes.
- IP traversing of aeromagnetic anomalies in EPMs 16004, 16046, 16047, 16062, 16662 and 16759.
- IP traversing of residual gravity anomaly G2 (EPM 13775).

Events subsequent to end of year

The planned exploration program was commenced in early August 2011. To date gravity surveying has been completed at anomaly G1 and commenced at anomaly G3.

Preparations for gradient array IP at the Jolly Tar Prospect have been commenced with surveying scheduled to be undertaken early September.

Land access negotiations have been entered into with landowners and aboriginal land claimants, prior to commencement of field activities.

Corporate

Capital raising

Spring Tree funding facility

During the year the Company drew down $2.9 million under its loan facility with Spring Tree Special Opportunities Fund, LLP ("Spring Tree"). Further details of the facility are contained in the Company's ASX release dated 9 April 2010.

Private placements

During the year the Company raised a total of $5.9 million by way of private placements as follows:

- $2.3 million raised in 2nd quarter through the issue of 76,666,665 shares at $0.03 (3 cents) per share; and
- $3.6 million raised in 4th quarter through the issue of 90 million shares at $0.04 (4 cents) per share.

The placements introduced a number of institutional investors to the Company's Register, as well as the initiation of research coverage of the Company.

Subsequent to year end the Company raised a further $6 million via a private placement of 150 million shares at $0.04 (4 cents) per share.

Share Purchase Plan Offer

In the 1st quarter of the year the Company raised $1,420,000 through the issue of 71 million shares to existing shareholders under the Company's Share Purchase Plan.

Convertible Notes

In the second quarter of the year the Company's remaining 1,225 convertible notes on issue were extinguished by conversion into 24,500,000 fully paid ordinary shares in the Company.

Resignation of Director

Mr Ken Chapple resigned as an Executive Director of the Company on 31 August 2011.

Mr. Chapple served the Company in various capacities – initially as Exploration Director when the Company listed on the Australian Securities Exchange in February 2002 and then as Managing Director and more recently (since the Company's merger with Anomaly Resources Limited in 2009) as Executive Director.

Mr. Chapple will continue to provide consulting services to the Company in relation to the Company's projects at Croydon, Queensland.

The Company's directors thank Mr. Chapple for his service to the Company and wish him well in his future pursuits.

G B Starr

Executive Chairman

28 September 2011

Schedule of Tenements

Set out below is the schedule of tenements that Gold Anomaly Limited and its subsidiaries hold as at 28 September 2011:

Project	Tenements particulars	% ownership
Croydon (North Queensland)	EPM 8795	100%
	EPM 9438	100%
	EPM 10302	100%
	EPM 13775	100%
	EPM 15989	100%
	EPM 16002	100%
	EPM 16003	100%
	EPM 16004	100%
	EPM 16046	100%
	EPM 16047	100%
	EPM 16062	100%
	EPM 16579	100%
	EPM 16662	100%
Fergusson Island (Papua New Guinea) [2]	EL 1025	100%
Crater Mountain (Papua New Guinea) [1]	EL 1115	70%
	EL 1353	70%
	EL 1384	70%
Bogia (Papua New Guinea)	EL 1446	100%

[1] These tenements are held in an unincorporated joint venture with Triple Plate Junction Plc.

[2] In April 2011 the PNG Mineral Resources Authority ("MRA") refused to renew EL1070 which formed part of the Fergusson Island project. A new licence EL1972, covering the same area, was made available for application and the Company believes there are good grounds that the licence will be regained.

The information contained on pages 2 to 8 of this report that relates to Exploration Results at Crater Mountain PNG is based on information compiled by Mr P Macnab, Non-Executive Director of Gold Anomaly Limited. Mr Macnab is a Member of The Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Macnab consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information contained on pages 5 to 6 of this report that relates to Development Activities and Exploration Results at Sao Chico Brazil is based on information compiled by Mr Neil Cole, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Cole is employed by Kenai Resources Limited. Mr Cole has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cole consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

"The past twelve months have been very exciting for Gold Anomaly with excellent progress made at the Company's flagship Crater Mountain Project in Papua New Guinea"

The Directors present their report on the consolidated entity (referred to hereafter as "the Group") consisting of Gold Anomaly Limited (referred to hereafter as "the Company") and its controlled entities for the year ended 30 June 2011.

Directors

The following persons were Directors of Gold Anomaly Limited during the whole of the financial year and up to the date of this report:

G B Starr (Executive Chairman)

J D Collins-Taylor (Non-executive Director)

T M Fermanis (Non-executive Director)

R P Macnab (Non-executive Director)

J S Spence (Non-executive Director)

Mr K G Chapple was an Executive Director for the whole of the year ended 30 June 2011 but resigned 31 August 2011.

Mr R N McLean resigned as a Non-executive Director on 1 December 2010.

Activities

The principal activities of the Group consist of the exploration and evaluation of potential world class gold and other base metal projects. Further details of the Group's activities are included in the Review of Operation on pages 1 – 8 of this report.

Review of Operations and Results

The Group incurred a loss of $4,937,134 for the year ended 30 June 2011 (2010: loss of $1,280,119). Further details of the Group's operations are included on pages 2 – 8 of this report.

Dividends

No dividends of the Company or any entity of the Group have been paid, declared or recommended since the end of the preceding year. The Directors do not recommend the payment of any dividend for the year ended 30 June 2011.

Significant Changes in the State of Affairs

The Directors are not aware of any significant change in the state of affairs of the Company that occurred during the financial year other than as reported elsewhere in the Annual Report.

Events Subsequent To Balance Date

Since the end of the financial year the Company has raised an additional $6,000,000 by way of a private placement of 150,000,000 shares at $0.04 (4 cents) per share.

Since the end of the financial year the Company has amended the terms of its agreement with Kenai Resources Ltd and received a further $1 million in loan funds for the Sao Chico project.

The Company is currently in discussions with the PNG Mineral Resources Authority with respect to the grant of an extension to a feasibility study deadline and the renewal or reissuance of exploration licenses EL 1025 and EL 1070 on Fergusson Island.

The Company and its wholly owned PNG subsidiary company Gold Aura (PNG) Limited have finalised an agreement with Canadian company Yamana Gold Inc to consolidate a 100% interest in the Fergusson Island Gold Project.

Likely Developments

Likely developments in the Group's operations in future financial years and the expected results of those operations are referred to on pages 2– 8. The Directors believe that additional information as to the likely developments in the Group's operations in future financial years, including the expected results of those operations, would result in unreasonable prejudice to the interest of the entity. Such information has not therefore been included in this report.

Information on Directors and Secretary

The Directors and Secretary of the Company in office at the date of this report and their qualifications, experience and special responsibilities are as follows:

G B Starr BBus, CPA *(Executive Chairman)*

Mr Starr was appointed as a Chairman and Director on 19 February 2008 and Executive Chairman on 26 March 2010. Mr Starr has over 22 years experience in corporate financial management, with the last 19 years focused on the resources and mining sector, including his most recent appointment as Chief Executive Officer and President of Golden China Resources Corporation, and previously as Chief Executive Officer of Michelago Limited and Chief Executive Officer of Emperor Mines Limited. Mr Starr is a member of the Australian Society of Certified Practicing Accountants, a fellow of the Association of Chartered Certified Accountants (UK) and a member of the Australian Institute of Company Directors. Mr Starr is President of Kenai Resources Ltd, a company listed on the Toronto Stock Exchange.

Mr Starr has an interest of 10,750,000 ordinary shares and 12,500,000 options in the Company.

J D Collins-Taylor BA Bus, ACA *(Non-executive Director)*

Mr Collins-Taylor has been a Director since 20 October 2005. He is a Chartered Accountant and was formerly with Deloitte Touche Tohmatsu for 12 years. Mr Collins-Taylor has worked in the private equity and venture capital fields in Asia since 1992. He has extensive finance experience, and has been involved in a number of major transactions involving companies listed on the London and Hong Kong Stock Exchanges.

Mr Collins-Taylor is Chairman of the Audit Committee and of the Remuneration and Nomination Committee.

Mr Collins-Taylor has an interest of 3,486,404 ordinary shares and 3,618,202 options in the Company.

T M Fermanis F Fin, MSDIA *(Non-executive Director)*

Mr Fermanis was appointed a Director of Anomaly Resources Limited on 3 May 2007 and has been a Director of the Company since 2 November 2009. Mr Fermanis has extensive experience in stockbroking and has been an advisor since 1985 with extensive experience in the resource sector. He has been involved in gold exploration in PNG for a number of years.

Mr Fermanis is a member of the Remuneration and Nomination Committee.

Mr Fermanis has an interest in 56,250,008 ordinary shares and 1,500,000 options in the Company.

R P Macnab BSc (Geology) *(Non-executive Director)*

Mr Macnab was appointed a Director of Anomaly Resources Limited on 3 May 2007 and has been a Director of the Company since 2 November 2009. Mr Macnab has had a lifetime geological association with PNG including roles as the country's Government Geologist, and an independent geological contractor and consultant. He discovered, or participated in the discovery of a long list of PNG minerals resources the most significant of which is the world-class Ladolam gold mine on Lihir Island. Mr Macnab has had extensive world wide experience in mineral exploration as well as financing and developing mineral resource exploitation. Mr Macnab has maintained his close links with PNG and continues to live on Buka Island, Autonomous Region of Bougainville, PNG.

Mr Macnab has an interest in 8 ordinary shares in the Company.

J S Spence MBE BSc Hons (Admin. Science), CA, CPA PNG *(Non-executive Director)*

Mr Spence was appointed a Director of Anomaly Resources Limited on 3 May 2007 and has been a Director of the Company since 2 November 2009. Mr Spence is a PNG based Chartered Accountant and the principal PNG's largest independent accounting firm, Sinton Spence Chartered Accountants, which he established in 1987. Mr Spence provides advice and assistance to foreign companies seeking to establish a corporate presence in PNG.

Mr Spence is a member of the Audit Committee.

Mr Spence has an interest in 57,000,008 ordinary shares and 1,500,000 options in the Company.

J A Lemon BA LLB (Hons), Grad Dip App Fin (Finsia), Grad Dip App Corp Gov, FCIS *(Company Secretary)*

Mr Lemon has been Company Secretary since 13 February 2006. Mr Lemon is a qualified solicitor and has held a number of positions as Company Secretary and/or Legal Counsel with various companies, including roles with MIM Holdings Limited, General Electric Company and Bank of Queensland Limited. Mr Lemon has been a Director of ASX-listed Union Resources Limited since 2008.

Mr Lemon has an interest of 570,000 ordinary shares and 2,500,000 options in the Company.

"At a time of record gold prices, and with investment excitement in major PNG gold discoveries sparked by Newcrest's recent drilling success at the Wafi Golpu gold copper deposit, GOA believes that its focus on Crater Mountain will prove to be a successful 'company maker' strategy."

Directors' Interests in Shares and Options

The Directors' interests in shares and options of the Company are set out in note 26 in the financial report.

Directors' Meetings

The Company held 11 Board meetings, 3 Audit Committee meetings and 3 Remuneration and Nomination Committee meetings during the year. The number of meetings attended by each Director was:

Name	Board		Audit Committee		Remuneration and Nomination Committee	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
G B Starr	11	11	-	-	-	-
K G Chapple[1]	11	10	-	-	-	-
J D Collins-Taylor[2]	11	11	3	3	3	3
T M Fermanis[3]	11	10	-	-	3	3
R P Macnab	11	10	-	-	-	-
R N McLean[4]	5	2	-	-	-	-
J S Spence[5]	11	10	3	3	-	-

The Eligible to Attend column represents the number of meetings held during the time the Director held office or was a member of the Committee during the year.

1 Mr Chapple resigned as a Director on 31 August 2011.
2 Mr Collins-Taylor is Chairman of the Audit Committee and of the Remuneration and Nomination Committee.
3 Mr Fermanis is a member of the Remuneration and Nomination Committee.
4 Mr McLean resigned as a Non-executive Director on 1 December 2010.
5 Mr Spence is a member of the Audit Committee.

Environmental Regulation and Performance

The Group is subject to environmental regulation in relation to its former mining activities in North Queensland by the Environmental Protection Agency of Queensland. The Company complies with the Mineral Resources Act (1989) and Environmental Protection Act (1994).

Shares under Option

Unissued ordinary shares of the Company under option at the date of this report are as follows:

Expiry date	Issue price of shares ($)	Number of shares under option	Type
30 June 2012	$0.0300	112,182,905	Listed
01 April 2013	$0.0400	2,000,000	Unlisted
07 April 2013	$0.0455	11,000,000	Unlisted
27 May 2013	$0.0272	2,577,320	Unlisted
24 June 2013	$0.0272	824,176	Unlisted
29 July 2013	$0.0300	700,935	Unlisted
30 August 2013	$0.0251	837,989	Unlisted
22 September 2013	$0.0246	568,182	Unlisted
29 September 2013	$0.0259	810,811	Unlisted
19 October 2013	$0.0277	505,051	Unlisted
31 October 2013	$0.0288	728,155	Unlisted
01 November 2013	$0.0284	738,916	Unlisted
22 November 2013	$0.0321	655,022	Unlisted
30 November 2013	$0.0428	490,196	Unlisted
20 December 2013	$0.0462	757,576	Unlisted
20 January 2014	$0.0444	788,644	Unlisted
23 February 2014	$0.0375	932,836	Unlisted
30 March 2014	$0.0393	889,680	Unlisted
03 May 2014	$0.0398	880,282	Unlisted
02 June 2014	$0.0507	690,608	Unlisted
04 July 2014	$0.0417	503,356	Unlisted
04 August 2014	$0.0468	449,102	Unlisted
30 June 2015	$0.0350	14,166,666	Unlisted
30 June 2015	$0.0450	22,083,334	Unlisted

Option holders do not have any rights under the options to participate in any share issue of the Company.

Shares Issued on the Exercise of Options

20,000 shares of the Company were issued during the year ended 30 June 2011 as a result of the exercise of options over unissued shares in the Company. They are as follows:

Date of issue	No of ordinary shares issued	Amount paid per share ($)	Amount unpaid per share
22 March 2011	20,000	$0.0300	-

No further shares have been issued on the exercise of options since that date.

Indemnification and Insurance of Directors

During the year, the Company paid premiums of $15,692 (2010: $14,842) to insure the Directors and Officers of the Company in relation to all liabilities and expenses arising as a result of the performance of their duties in their respective capacities to the extent permitted by law.

Non-Audit Services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

No amounts were paid or are payable to the previous auditor (Lawler Hacketts) or to the current auditor (PKF Chartered Accountants) for non-audit services provided during the year.

Remuneration Report (Audited)

The information provided under headings (a) - (d) is provided in accordance with section 300A of the *Corporations Act 2001*. These disclosures have been audited.

(a) Principles used to determine the nature and amount of remuneration

The Company has a Remuneration and Nomination Committee. The Board has adopted a Remuneration and Nomination Policy which provides advice on remuneration and incentive policies and practices and specific recommendations on remuneration packages and other terms of employment for executive Directors, other senior executives and Non-executive Directors. The Corporate Governance Statement provides further information on the role of this Committee.

Executive Remuneration

The remuneration policy ensures that contracts for services are reviewed on a regular basis and properly reflect the duties and responsibilities of the individuals concerned. The executive remuneration structure is based on a number of factors including relevant market conditions, knowledge and experience with the industry, organisational experience, performance of the Company and that the remuneration is competitive in retaining and attracting motivated people. There is no guaranteed pay increases included in the senior executives' contracts.

The Executive Chairman, Mr K G Chapple and key management personnel have been issued incentive options under the Company's Employee Share Option Plan. Details of options issued under the Company's Employee Share Option Plan during the year are shown at note 26 to the Financial Statements.

Non-executive Directors

Fees and payments to Non-executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive Directors' fees and payments are reviewed annually by the Board. Details of options issued to Non-Executive Directors under the Company's Employee Share Option Plan during the year are shown at note 26 to the Financial Statements.

Directors' Fees

The current base remuneration was last reviewed with effect from 26 March 2009.

Non-executive Director's fees are determined within an aggregate Directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $200,000 per annum and was approved by shareholders at the Annual General Meeting on 23 November 2010.

The following fees have applied for the year ended 30 June 2011:

- Non-executive Director's base fee - $35,000 per annum.
- Work undertaken by the Non-executive Directors, in addition to that provided in their role as Non-executive Directors is charged at $1,000 per day or pro-rata for part thereof.
- Audit Committee and the Remuneration and Nomination Committee – no additional fees payable.

Except for retirement benefits provided by the superannuation guarantee legislation, there are no retirement benefits for the Non-executive Directors.

(b) Details of remuneration

Directors and the key management personnel (as defined in section 300A *Corporations Act 2001*) of the Company and the Group are set out in the following tables. The key management personnel of the Company and the Group includes the Directors as per page 9 and 10 and the following executive officers who have authority and responsibility for the planning, directing and controlling the activities of the Group.

Director / key management person	Short-term		Post-employment	Share-based payments	Total
	Base Fees/salary	Other [9]	Superannuation	Options	
2011					
Non-executive Directors					
J D Collins-Taylor	35,000	-	-	39,314	74,314
T M Fermanis	35,000	37,273	-	5,873	78,146
R P Macnab	54,167	211,816	-	-	265,983
R N McLean [1]	14,583	-	-	-	14,583
J S Spence	35,000	7,290	-	5,873	48,163
Subtotal	173,750	256,379	-	51,060	481,189
Executive Directors					
G B Starr, *Executive Chairman*	287,500	-	-	104,838	392,338
K G Chapple [3]	169,567	22,433	16,200	115,274	323,474
Other key management personnel					
J A Lemon [4]	78,109	-	-	34,952	113,061
I K White [4, 5]	32,449	-	-	27,758	60,207
G Dionisio [5]	23,076	-	2,077	-	25,153
G R Boyce [6]	4,864	-	-	-	4,864
P M B Smith [7]	63,000	-	5,670	8,432	77,102
J Batista [8]	31,242	-	6,248	-	37,490
R Buckland	120,000	-	-	41,942	161,942
Total	**983,557**	**278,812**	**30,195**	**384,256**	**1,676,820**
2010					
Non-executive Directors					
J D Collins-Taylor	27,500	-	-	-	27,500
T M Fermanis	19,167	-	-	-	19,167
R N McLean	19,167	24,377	-	-	43,544
J S Spence	19,167	-	-	-	19,167
R P Macnab	82,636	-	-	-	82,636
Subtotal	167,637	24,377	-	-	192.014
Executive Directors					
G B Starr, *Executive Chairman* [2]	275,749	-	-	-	275,749
K G Chapple	179,567	10,433	16,200	-	206,200
Other key management personnel					
J A Lemon [4]	76,746	-	-	-	76,746
I K White [4]	137,448	-	-	-	137,448
R Buckland	120,000	-	-	-	120,000
Total	**957,147**	**34,810**	**16,200**	**-**	**1,008,157**

1. Mr R N McLean resigned as a Non-executive Director on 1 December 2010.
2. Mr Starr was appointed Executive Chairman on 26 March 2010.
3. Mr K G Chapple resigned as an Executive Director on 31 August 2011
4. Mr White and Mr Lemon act in a part-time capacity.
5. Mr Gionisio was appointed as Chief Financial Officer on 25 April 2011. Mr I.K. White resigned as Chief Financial Officer on 24 April 2011.
6. Mr. G R Boyce was appointed as Senior Financial Consultant on 10 May 2011.
7. Mr P M B Smith was appointed as Country Manager – Papua New Guinea on 1 February 2011.
8. Mr Batista was appointed as General Manager, Brazil on 29 April 2011.
9. Other relates to services provided by Directors and in the case of Mr Chapple, amounts salary sacrificed for the lease of a motor vehicle.

No other Directors, officers or executives of the Company received any share-based payments, other than those shown in the remuneration table above.

A summary of Director and key management personnel remuneration follows.

Remuneration component	Consolidated 2011 $	2010 $
Short term	1,262,369	991,957
Post-employment benefits	30,195	16,200
Share-based payments	384,256	-
Total	**1,676,820**	**1,008,157**

(c) Service agreements

On appointment to the Board, all Non-executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation, relevant to the office of Director.

Remuneration and other terms of employment for the Executive Directors and other key management personnel are also formalised in service agreements. Major provisions of the agreements relating to remuneration are set out below:

Key management personnel	Commencement date	Term of agreement	Base salary	Superannuation	Period of notice
G B Starr *Executive Chairman*	26 March 2010	No fixed term	$300,000 pa	-	3 months
J A Lemon *Company Secretary*	13 February 2006	No fixed term	$150 ph	-	4 weeks
R Buckland *Country Manager - Brazil*	2 March 2006	No fixed term	$10,000 pm	-	30 days
J Batista *General Manager - Brazil*	25 April 2011	No fixed term	R$23,000 pm	8% of base salary	30 days
P M B Smith *Country Manager – Papua New Guinea*	1 February 2011	12 months	$180,000 pa	9% of base salary	30 days
G Dionisio *Chief Financial Officer*	25 April 2011	No fixed term	$120,000 pa	9% of base salary	30 days

(d) Equity based compensation

Options granted as part of remuneration for the year ended 30 June 2011

The Employee Share Option Plan ("Plan") is designed to provide long term incentives for executives to deliver long term shareholder returns. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits.

Details of options over ordinary shares in the Company provided as remuneration to each Director of Gold Anomaly Limited and each of the key management personnel of the parent entity and the Group are set out in note 26 in the financial report. When exercisable, each option is convertible into one ordinary share of Gold Anomaly Limited. Further information on the options is set out in note 27.

Auditor's Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 19.

Corporate Governance

The Board of Directors is responsible for the Corporate Governance of the Group. The Board is committed to achieving the highest standards of corporate behaviour and accountability. The Company's corporate governance statement is contained in the following section of this report.

Signed for and on behalf of the Board in accordance with a resolution of the Directors.

G B Starr **Executive Chairman**	**J D Collins-Taylor** **Director**

28 September 2011

"The program confirmed the presence of a major altered and mineralised system underlying the northern end of Nevera, with the potential to define a large bulk tonnage gold deposit"

The Company's Annual Report should contain a statement disclosing the extent to which the Company has followed the corporate governance "Best Practice Recommendations" ("ASX Recommendations") of the ASX Corporate Governance Council during the financial year. There are 7 Recommendations, contained within 8 overall "Principles of Good Corporate Governance", and all are addressed in this Statement.

The Recommendations are guidelines rather than prescriptions, and a company has the flexibility not to adopt a particular Recommendation if the Company considers it inappropriate to the particular circumstances, provided the Company explains why it has not followed the particular Recommendation.

Principle 1 – Lay solid foundations for management and oversight

The Corporate Governance Charter adopted by the Board (which can be found on the Company's website) ("the Corporate Governance Charter") provides that the Board's broad functions are to:

- chart strategy and set financial and other targets for the Company and its controlled entities ("the Group");
- monitor the implementation and execution of strategy and performance against financial and other targets;
- appoint and oversee the performance of executive management; and
- generally to take an effective leadership role in relation to the Group.

The Board evaluates the performance of senior executives on an ongoing basis.

The Company's executive management is charged with managing and directing the day-to-day operations of the Company's business.

Principle 2 – Structure the Board to add value

The current Board of 5 members comprises four Non-executive Directors and one Executive Director. The names, skills and experience of the Directors in office at the date of this statement and the period of office of each Director are set out in the Directors' Report. The Directors believe that the composition of the Board is appropriate for its functions and responsibilities. During the first part of the financial year the Board comprised of seven Directors, including one further executive Director and one further non-executive Director. One of those Directors (non-executive Director R N McLean) resigned as a Director in the first half of the financial year and the other further Director (executive Director K G Chapple) resigned subsequent to the end of the financial year.

Four of the Company's current Directors, Messrs Macnab, Collins-Taylor, Spence and Fermanis are considered to be independent. The Company's remaining Director, Mr Starr, is not considered independent because he is employed in an executive capacity (as Executive Chairman). During his period as a Director Mr Chapple was not considered to be independent because he was employed in an executive capacity. Mr. McLean was not considered to be independent because he was a substantial shareholder up to the time of his resignation. Messrs Spence and Fermanis were previously substantial shareholders of the Company and therefore considered to be non-independent up to their ceasing to be substantial shareholders in May 2011.

Regarding the Chairman's independence status, please see the comments above. The roles of Chairman and Chief Executive Officer are exercised by the same person. The Board believes that this is appropriate for the Company at the present time.

During the reporting period the Company had a Remuneration & Nomination Committee. The Committee consists of two Directors, both of whom are now independent (one member, Mr T Fermanis, was not considered an independent Director prior to May 2011 – see above). The Committee's Chair (Mr Collins-Taylor) was an independent Director throughout the financial year. The Committee has a charter which appears on the Company's website (www.goldanomaly.com.au).

The Board evaluates the performance of itself, its committees and individual Directors. The Remuneration and Nomination Committee is also charged with making recommendations to the Board in this regard.

Principle 3 – Promote ethical and responsible decision making

The Company is firmly committed to ethical business practices, a safe workplace and compliance with the law. Fair dealing with the Company's suppliers, advisors, customers, employees and competitors is expected at all levels of the organisation. All Directors, executive management and employees are expected to act with integrity to enhance the performance of the Company.

The Company's Corporate Governance Charter contains a code of conduct which provides a guide to the Company's Directors as to the practices necessary to maintain confidence in the Company's integrity and ethical practices.

Principle 4 – Safeguard integrity in financial reporting

The Board requires that prior to adoption of the annual accounts, the Chief Executive Officer and any Chief Financial Officer state in writing to the Board that the consolidated financial statements of the Company and its controlled entities present a true and fair view in all material respects of the Group's financial condition and operational results and are in accordance with applicable accounting standards.

The Audit Committee is a committee of the Board. It is the Audit Committee's responsibility to ensure that an effective internal control framework exists within the Company. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information, as well as non-financial considerations such as the benchmarking of operational key performance indicators.

At all times during the reporting period, the Audit Committee comprised two Directors. One of those Directors, Mr Collins-Taylor, was an independent Director throughout the financial year. The other Director, Mr Spence, was not independent for the first part of the financial year but became independent in May, 2011 (see above). The Chairman of the Audit Committee was not Chairman of the Board. The Board believes that, given the financial expertise and independence of the two Committee members, two is an adequate number for the Committee at this time.

The Audit Committee has a formal written charter which sets out the Committee's role and responsibilities, composition, structure and membership requirements.

Details of the names and qualifications of the Audit Committee members and meetings attended by them are contained in the Directors' Report. The Audit Committee Charter is published on the Company's website. The Audit Committee Charter charges the Audit Committee with responsibility for recommending to the Board the appointment, evaluation and termination of the external auditor, and reviewing and discussing with the external auditor all significant relationships the auditor has with the Company in order to ensure independence of the auditor.

A new auditor was appointed in June 2010 and Shareholder ratification of the Auditor's appointment was received at the November 2010 AGM. The Company's current auditor complies with its obligations under the *Corporations Act 2001* s324DA and consequently an individual who plays a significant role in the audit of the Company will rotate off the audit after five years and will not participate in the audit again for a further two years.

Principle 5 – Make timely and balanced disclosure

The Company has established policies and procedures designed to ensure compliance with the ASX Listing Rule requirements so that announcements are made in a timely manner, are factual, do not omit material information, are balanced, and are expressed in a clear and objective manner so as to allow investors to assess the information when making investment decisions. The Executive Chairman and Company Secretary are responsible for interpreting and monitoring the Company's disclosure policy and the Company Secretary is responsible for all communications with the ASX.

The Company's Corporate Governance Charter contains procedures relating to timely and balanced disclosure.

ASX announcements are also published on the Company's website.

Principle 6 – Respect the rights of shareholders

The Company aims to keep shareholders informed of the Company's performance and all major developments on an ongoing basis. The Company regularly communicates to its shareholders in a timely manner through a communications strategy that consists of:

- relevant disclosures made in accordance with ASX Listing Rule disclosure requirements;
- making documents that have been released publicly available on the Company's website; and
- communicating with shareholders electronically through the Company's web-based application.

The Company's website contains a corporate governance section that includes copies of charters adopted by the Company.

The Company routinely requests that the external auditor attend the Company's annual general meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

Principle 7 – Recognise and manage risk

The Company recognises that it is necessary to undertake activities that involve a level of risk in order to achieve high levels of performance. The Board and Audit Committee are responsible for the oversight of the Group's risk management and control framework.

The size of the Company and the comprehensive nature of its reporting systems have led the Board to conclude that a formal internal audit process would not be cost effective nor reduce risk. The Company has established policies for:

- the oversight of material business risks; and
- the Management of material business risks.

The Board believes that there are adequate controls to ensure that financial reports provide a truthful and factual position for the Company.

The Executive Chairman and the Chief Financial Officer are required to make an annual written statement to the Board in accordance with section 295A of the Corporations Act that the section 295A declaration is founded on a sound system of risk management and internal control, and that the system is operating effectively in all material aspects in relation to financial risk.

Principle 8 – Remunerate fairly and responsibly

The Company had a Remuneration & Nomination Committee during the reporting period. The Committee consists of 2 Directors, both of whom are now independent (one member, Mr T Fermanis, was not considered an independent Director prior to May 2011 – see above). Given the Company's size and scale of operations the Board considers the current size of the Committee to be sufficient. The Committee's Chair (Mr Collins-Taylor) was an independent Director throughout the financial year. Details of the names and qualifications of the Committee members and meetings attended by them are contained in the Directors' Report. The Committee has a charter which is published on the Company's website.

It is the objective of Gold Anomaly Limited to provide maximum stakeholder benefit from the retention of a high quality Board and executive team by remunerating Directors and key executives fairly and appropriately with reference to relevant employment market conditions. The expected outcomes of the remuneration policy are:

- retention and motivation of key executives;
- attraction of quality management to the Company; and
- performance incentives which allow executives to share the rewards of the success of the Company.

The Company's Directors (executive and non-executive) were, with Shareholder approval, issued incentive options under the Company's Employee Share Option Plan during the financial year. The Company recognises that the grant of options to non-executive Directors is contrary to Recommendation 8.3 of the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. However,:

- the issue of options as part of the remuneration packages of executive and non-executive Directors is an established practice of junior public listed companies and provides those companies with a means of conserving cash whilst properly rewarding Directors; and
- the Company's non-executive Directors receive by way of remuneration only Directors' fees and receive none of the non-cash benefits such as superannuation contributions.

Options issued to Directors and Executives under the Company's Employee Share Options Plan are subject to performance and vesting conditions that are aligned to increased Shareholder value.

The Company's non-executive Directors receive Director's fees. Non-executive Directors are not entitled to any retiring allowance payable upon their retirement as a Director of the Company. The details of the Directors' and senior executives' remuneration are set out in the Directors' Report.

Drilling for Success

PKF
Chartered Accountants
& Business Advisers

Under Section 307c of The Corporations Act 2001

To The Members of Gold Anomaly Ltd

Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of Gold Anomaly Limited and the entities it controlled during the year.

I declare to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2011 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Arthur Milner
PKF

28 September 2011

Consolidated Statement of Comprehensive Income

For the financial year-ended 30th June 2011

		Consolidated	
		June	**June**
		2011	**2010**
	Notes	**$**	**$**
Continuing Operations			
Revenue	5	50,526	-
Total income		**50,526**	**-**
Less:			
Administration expense	6	(1,981,022)	(1,143,525)
Corporate compliance expense	6	(151,356)	(68,305)
Impairment of exploration and evaluation costs	6, 14	(2,673,926)	-
Other expense	6	(13,030)	-
Operating loss		**(4,768,808)**	**(1,211,830)**
Acquisition costs	6	9,775	(85,029)
Interest income	5	23,172	51,941
Financing expense		(201,273)	(35,201)
Loss before tax		**(4,937,134)**	**(1,280,119)**
Income tax expense	7	-	-
Loss for the year		**(4,937,134)**	**(1,280,119)**
Other comprehensive income			
Exchange differences on translating foreign operations	23	(618,355)	(9,539)
Total comprehensive income for the year		**(5,555,489)**	**(1,289,658)**

Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic loss - cents per share	8	(0.474)	(0.823)
Diluted loss - cents per share	8	(0.474)	(0.823)

Note: The costs for the 2010 comparative period column are for the 8 month period from the date of the merger of Gold Anomaly Limited with Anomaly Resources Limited on 2 November 2009 to 30 June 2011.

The 2011 column is for the full 12 month period ended 30 June 2011.

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

	Notes	Consolidated June 2011 $	June 2010 $
ASSETS			
Current assets			
Cash and cash equivalents	10	1,312,075	491,434
Trade and other receivables	11	150,018	462,471
Total current assets		**1,462,093**	**953,905**
Non-current assets			
Receivables	12	-	147,082
Other financial assets	13	43,726	44,651
Exploration and evaluation	14	18,970,386	14,182,650
Plant and equipment	15	2,896,549	711,592
Total non-current assets		**21,910,661**	**15,085,975**
Total Assets		**23,372,754**	**16,039,880**
LIABILITIES			
Current liabilities			
Trade and other payables	16	626,176	447,360
Related party payables	17	94,679	130,154
Interest-bearing liabilities	18	154,176	15,273
Non interest-bearing liabilities	20	2,089,823	-
Provisions	19	121,883	109,040
Total current liabilities		**3,086,737**	**701,827**
Non-current liabilities			
Interest-bearing liabilities	21	-	182,989
Total non-current liabilities		**-**	**182,989**
Total liabilities		**3,086,737**	**884,816**
Net Assets		**20,286,017**	**15,155,064**
EQUITY			
Contributed equity	22	26,458,337	16,320,956
Reserves	23	581,111	650,405
Accumulated losses		(6,753,431)	(1,816,297)
Total Equity		**20,286,017**	**15,155,064**

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

Statement of Changes in Equity

For the financial year ended 30th June 2011

		Consolidated				
		Ordinary equity	Contributed equity	Reserves	Accumulated losses	Total
	Notes	$	$	$	$	$
Balance at 1 July 2010		**16,320,956**	**-**	**650,405**	**(1,816,297)**	**15,155,064**
Movement in share based payment reserve	23	-	-	549,061	-	549,061
Issue of share capital	22	10,683,100	-	-	-	10,683,100
Transaction costs	22	(545,719)	-	-	-	(545,719)
Transactions with owners		**10,137,381**	**-**	**549,061**	**-**	**10,686,442**
Profit (loss) for the period		-	-	-	(4,937,134)	(4,937,134)
Other comprehensive income						
Exchange differences on translating foreign operations		-	-	(618,355)	-	(618,355)
Total comprehensive income for the period		**-**	**-**	**(618,355)**	**(4,937,134)**	**(5,555,489)**
Balance at 30 June 2011		**26,458,337**	**-**	**581,111**	**(6,753,431)**	**20,286,017**
Balance at 1 July 2009		**2,225,371**	**30,000**	**305,750**	**(536,178)**	**2,024,943**
Movement in share based payment reserve	23	-	-	324,194	-	324,194
Issue of share capital	22	14,399,276	-	-	-	14,399,276
Transaction costs	22	(303,691)	-	-	-	(303,691)
Movement in share cancellation reserve	23	-	-	30,000	-	30,000
Cancellation of Class A, B and C shares	22	-	(30,000)	-	-	(30,000)
Transactions with owners		**14,095,585**	**(30,000)**	**354,194**	**-**	**14,419,779**
Profit (loss) for the period		-	-	-	(1,280,119)	(1,280,119)
Other comprehensive income						
Exchange differences on translating foreign operations		-	-	(9,539)	-	(9,539)
Total comprehensive income for the period		**-**	**-**	**(9,539)**	**(1,280,119)**	**(1,289,658)**
Balance at 30 June 2010		**16,320,956**	**-**	**650,405**	**(1,816,297)**	**15,155,064**

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

	Notes	Consolidated June 2011 $	June 2010 $
Cash flows from operating activities			
Receipts from customers		50,526	-
Payments to suppliers and employees		(1,053,199)	(1,599,874)
GST refunded		153,716	109,839
Interest received		23,172	42,138
Interest paid		(50,617)	(35,200)
Net cash used in operating activities	32	**(876,402)**	**(1,483,097)**
Cash flows from investing activities			
Purchases of property plant and equipment		(2,287,032)	(698,535)
Payments for exploration and evaluation		(7,852,847)	(2,434,666)
Refunds of / (payments for) security deposit		924	(15,067)
Net cash used in investing activities		**(10,138,955)**	**(3,148,268)**
Cash flows from financing activities			
Proceeds from issue of ordinary shares and options		10,070,000	4,828,587
Share issue costs		(545,719)	(301,808)
Proceeds from borrowings		4,900,238	763,212
Repayment of loans		(2,750,000)	(650,000)
Collection of promissory note		318,912	-
Repayment of lease liabilities		(14,053)	(7,061)
Net cash provided by financing activities		**11,979,378**	**4,632,930**
Net increase in cash held		**964,021**	**1,565**
Cash at the beginning of the period	10	490,216	55,613
Gold Aura Limited cash at merger		-	196,969
Effects of foreign exchange movements on cash transactions and balances		(146,338)	236,068
Cash at the end of the period	10	**1,307,899**	**490,216**

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

1 Summary of Significant Accounting Policies

Gold Anomaly Limited (the "Company") and its legal subsidiaries together are referred to in this financial report as the Group or the Consolidated Entity.

Details of the principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Gold Anomaly Limited is a public company, limited by shares and domiciled in Australia.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (AASB), Australian Accounting Interpretation, and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Adoption of IFRS

During the year the Group adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory. Changes reflected in this financial report include:

- *AASB 2 Share-based Payment Transactions - amendments for Group Cash-settled Share-based Payment Transactions.*

  The consolidated entity has applied the amendments to AASB 2 from 1 July 2010. The amendments clarified the scope of AASB 2 by requiring an entity that receives goods or services in a share-based payment arrangement to account for those goods or services no matter which entity in the consolidated entity settles the transaction, and no matter whether the transaction is settled in shares or cash.

- *Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments*

  The consolidated entity has applied Interpretation 19 from 1 July 2010. The interpretation clarified that equity instruments issued to a creditor to extinguish a financial liability qualifies as consideration paid. The equity instruments issued are measured at their fair value, or if not reliably measured, at the fair value of the liability extinguished, with any gain or loss recognised in profit or loss.

- *AASB 2009-5 Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

  The consolidated entity has applied AASB 2009-5 amendments from 1 July 2010. The amendments result in some accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes had no or minimal effect on accounting. The main changes were:

  AASB 101 'Presentation of Financial Statements' - classification is not affected by the terms of a liability that could be settled by the issuance of equity instruments at the option of the counterparty;

  AASB 107 'Statement of Cash Flows' - only expenditure that results in a recognised asset can be classified as a cash flow from investing activities; and

  AASB 136 'Impairment of Assets' - clarifies that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in AASB 8 'Operating Segments' before aggregation for reporting purposes.

- *AASB 2009-10 Amendments to AASB 132 - Classification of Rights Issues*

  The consolidated entity has applied AASB 2009-10 from 1 July 2010. The amendments clarified that rights, options or warrants to acquire a fixed number of an entity's own equity instruments for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non-derivative equity instruments. The amendment therefore provides relief to entities that issue rights in a currency other than their functional currency from treating the rights as derivatives with fair value changes recorded in profit or loss.

- *AASB 2010-3 Amendments to Australian Accounting Standards arising from the Annual Improvements Project*

  The consolidated entity has applied AASB 2010-3 amendments from 1 July 2010. The amendments result in some accounting changes for presentation, recognition or measurement purposes, while some amendments that relate to terminology and editorial changes had no or minimal effect on accounting. The main changes were: AASB 127 'Consolidated and Separate Financial Statements' and AASB 3 Business Combinations - clarifies that contingent consideration from a business combination that occurred before the effective date of revised AASB 3 is not restated; the scope of the measurement choices of non-controlling interest is limited to when the rights acquired include entitlement to a proportionate share of net assets in the event of liquidation; requires an entity in a business combination to account for the replacement of acquiree's share-based payment transactions, unreplaced and voluntarily replaced, by splitting between consideration and post combination expenses.

Historical cost convention

The financial report has been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through the statement of comprehensive income and certain classes of plant and equipment.

Critical accounting estimates

The preparation of the financial report in conformity with Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

(b) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 31.

(c) Principles of consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company or parent entity as at 30 June 2011 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

A list of consolidated entities is contained in note 30 to the financial statements.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Minority interests in the results and equity of subsidiaries are shown separately in the consolidated income statement and Statement of Financial Position respectively.

(d) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. The Group has adopted AASB 8 Operating Segments from 1 July 2009 whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the chief executive and the Board. In identifying its operating segments, management generally follows the Group's project activities. Each of these activities is managed separately.

(e) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Gold Anomaly Limited's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Consolidated Income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Statement of Financial Position presented are translated at the closing rate at the date of that Statement of Financial Position;
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or borrowings repaid a proportionate share of such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of foreign entities are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(f) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

(g) Income Tax

The income tax expense or revenue for the year comprises current income tax expense or income and deferred tax expense or income.

Current income tax expense or revenue is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities.

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

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

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

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

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

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

Tax Consolidation

Gold Anomaly Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity.

The tax consolidated group has entered a tax funding arrangement whereby each company in the group contributes to the income tax payable by the group in proportion to their contribution to the group's taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding arrangement are recognised as either a contribution by, or distribution to the head entity.

(h) Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases (note 24).

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in other long term payables. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

(i) Acquisition of assets

The purchase method of accounting is used for all acquisitions of assets (including business combinations) regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Where equity instruments are issued in an acquisition, the value of the instruments is their market price as at acquisition date, unless the notional price at which they could be placed in the market is a better indicator of fair value.

Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets acquired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(j) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(k) Cash and cash equivalents

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 an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

(l) Investments and other financial assets

Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non current assets. Loans and receivables are included in receivables in the Statement of Financial Position (notes 11 and 12). They are subsequently measured at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available for sale financial assets, comprising principally equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories.

Recognition and derecognition

Purchases and sales of investments are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through income statements. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities which are classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Derecognition

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

Subsequent measurement

Available for sale financial assets and financial assets at fair value through income statements are subsequently carried at fair value. Gains and losses arising from changes in the fair value of the financial assets at fair value through income statements category are included in the income statement in the period in which they arise. Dividend income from financial assets at fair value through income statements is recognised in the income statement as part of revenue from continuing operations when the Group's right to receive payments is established.

Fair value

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances. A discount rate of 12% has been used for the current financial year.

Impairment

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired.

If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statements is removed from equity and recognised in the income statement.

Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

(m) Comparatives

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

(n) Prior period reclassification

The Company believes that it would be more appropriate to classify the costs in relation to Sao Chico as exploration and evaluation assets rather than development assets and have restated the comparative financial statements to reflect the change in classification. This change has occurred as a result of the focus of the operation now being on primary rock below the surface weathered granite material which appears to have been successfully previously mined by local garimpieros. As a result of this reclassification $3,393,486 recorded as development assets in the 2010 annual report are now included in exploration and evaluation assets

(o) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is capitalised in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest or when activities in the areas of interest have not yet reached a stage which permit reasonable assessment of the existence of economically recoverable reserves.

The ultimate recoupment of capitalised costs is dependent on the successful development and commercial exploitation, or sale, of the respective areas of interest. Accumulated costs in relation to an abandoned area are written off in full against profit/loss in the year in which the decision to abandon the area is made.

Where costs are capitalised on exploration, evaluation and development, they are amortised over the life of the area of interest to which they relate once production has commenced. Amortisation charges are determined on a production output basis, unless a time basis is more appropriate under specific circumstances.

Exploration, evaluation and development assets are assessed for impairment if:

sufficient data exists to determine technical feasibility and commercial viability, and

facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(p) Plant and equipment

Each class of plant and equipment is carried at cost 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 asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the consolidated group 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

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use.

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

Asset	Depreciation rates
Plant and Equipment	4% – 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position 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.

The Company uses the unit-of-production basis when depreciating mine specific assets which results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining life of mine production.

Amortisation of mine development costs is provided using the unit-of-production method.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(r) Borrowings

Borrowings are initially recognised at fair value and subsequently at amortised cost.

(s) Employee benefits

Wages and salaries, annual leave and sick leave

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

Long service leave

The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expect future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payment transactions

The group operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of option is ascertained using a Black-Scholes pricing model which incorporates all market vesting conditions. The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

(t) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of GST, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

(u) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share 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.

Potential ordinary shares are anti-dilutive when their conversion to ordinary shares would increase earnings per share or decrease loss per share from continuing operations. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an anti-dilutive effect on earnings per share.

(v) Rounding of amounts

The Company is of a kind referred to in Class order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have not been rounded off in accordance with that Class Order to the nearest thousand dollars, but to the nearest dollar.

(w) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from or payable to the taxation authority are presented as an operating cash flow.

(x) Borrowing costs

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

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

(y) Rehabilitation costs

The Company records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation is incurred. The nature of restoration activities includes dismantling and removing structures, rehabilitating mines, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation and revegetation of afflicted areas.

When the liability is initially recorded, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets.

(z) New Accounting Standards and Interpretations

The following standards and amendments were available for early adoption but have not been applied by the Group in these financial statements. The Group does not anticipate early adoption of any of the following reporting requirements and does not expect these requirements to have any material effect on the Group's financial statements.

<table>
<tr><th>AASB amendment</th><th>Outline of amendment</th><th>Operative Date
(Annual reporting periods <u>beginning</u> on or after)</th></tr>
<tr><td>AASB 9

Financial Instruments</td><td>Simplifies the classifications of financial assets into two categories:
• Those carried at amortised cost; and
• Those carried at fair value.

Simplifies requirements related to embed derivatives that exist in financial assets that are carried at amortised cost, such that there is no longer a requirement to account for the embedded derivative separately.

Removes the tainting rules associated with held-to-maturity assets.

Investments in equity instruments that are not held for trade can be designated at fair value through other comprehensive income, with only dividends being recognised in profit and loss.

Investments in unquoted equity instruments (and contracts on those investments that must be settled by delivery of the unquoted equity instrument) must be measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value.</td><td>1 January 2013</td></tr>
<tr><td>AASB 10

Consolidation</td><td>AASB 10 replaces AASB 127 and 3 key elements of control. According to AASB 10 an investor controls an investee if and only if the investor has all the following:
(a) power over the investee;
(b) exposure, or rights, to variable returns from its involvement with the investee; and
(c) the ability to use its power over the investee to affect the amount of the investor's returns.

Additional guidance is provided in how to evaluate each of the three limbs above. While this is not a wholesale change from the current definition of control within AASB 127 (and for many entities no change in practice will result) some entities may be impacted by the change. The limbs above are more principle based rather than hard and fast rules.</td><td>1 January 2013</td></tr>
<tr><td>AASB 11

Joint Arrangements</td><td>AASB 11 replaces the AASB 131 Interests in Joint Ventures. The previous standard had 3 types of Joint ventures whereas AASB 11 only has two. These are:
• Joint Operations; and
• Joint Ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

Joint ventures must now be accounted for using the equity method of accounting. The option to proportionately consolidate a joint venture entity has been removed.</td><td>1 January 2013</td></tr>
</table>

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 12 **Disclosure of Interests in Other Entities**	AASB 12 provides the disclosure requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. As such, it pulls together and replaces disclosure requirements from many existing standards. The AASB requires an entity to disclose information that enables users of financial statements to evaluate: (a) the nature of, and risks associated with, its interests in other entities; and (b) the effects of those interests on its financial position, financial performance and cash flows.	1 January 2013
AASB 13 **Fair Value Measurement**	AASB 13: (a) defines fair value; (b) sets out in a single IFRS a framework for measuring fair value; and (c) requires disclosures about fair value measurements. Fair value is defined as: "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price)"	1 January 2013
AASB 1053 **Application of Tiers of Australian Accounting Standards**	This Standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements: (a) Tier 1: Australian Accounting Standards; and (b) Tier 2: Australian Accounting Standards – Reduced Disclosure Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements. For-profit entities in the private sector that have public accountability (as defined in this Standard) would apply Tier 1 requirements in preparing general purpose financial statements. For-profit private sector entities that do not have public accountability would apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements. **Public accountability** means accountability to those existing and potential resource providers and others external to the entity who make economic decisions but are not in a position to demand reports tailored to meet their particular information needs. A for-profit private sector entity has public accountability if: (a) its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets); or (b) it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses. This is typically the case for banks, credit unions, insurance companies, securities brokers/dealers, mutual funds and investment banks.	1 July 2013

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 2009-12	This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. These amendments have no major impact on the requirements of the amended pronouncements.	1 January 2011
AASB 2010-2	This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements. AASB 1053 provides further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general purpose financial statements.	1 July 2013
AASB 2010-4	Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project are set out below: AASB 7 Financial Instruments: Disclosures Clarification of disclosures AASB 101 Presentation of Financial Statements Clarification of statement of changes in equity AASB 134 Interim Financial Reporting Significant events and transactions	1 January 2011
AASB 2010-5	The Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. These amendments have no major impact on the requirements of the amended pronouncements.	1 January 2011
AASB 2010-6	The Standard adds and amends disclosure requirements about transfers of financial assets, including in respect of the nature of the financial assets involved and the risks associated with them.	1 July 2011
AASB 2010-7	The Standard makes numerous amendments to Australian Accounting Standards and Interpretations listed above as a result of the amendments to AASB 9.	1 January 2013
AASB 2010-8	The amendments provide a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in AASB 140 Investment Property. Under AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. However, it is often difficult and subjective to determine the expected manner of recovery when the investment property is measured using the fair value model in AASB 140. To provide a practical approach in such cases, the amendments introduce a presumption that an investment property is recovered entirely through sale. Interpretation 121 Income Taxes – Recovery of Revalued Non-Depreciable Assets addresses similar issues involving non-depreciable assets measured using the revaluation model in AASB 116 Property, Plant and Equipment. The amendments incorporate Interpretation 121 into AASB 112 after excluding investment property measured at fair value from the scope of the guidance previously contained in Interpretation 121.	1 January 2012
AASB 2010-9	The amendments in respect of severe hyperinflation provide guidance for entities emerging from severe hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.	1 July 2011

AASB amendment	Outline of amendment	Operative Date (Annual reporting periods beginning on or after)
AASB 2010-10	The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9 Financial Instruments as issued in December 2009) as it has been superseded by AASB 2010-7 for annual reporting periods beginning on or after 1 January 2013.	1 January 2013
AASB 2011-1	These amendments are a consequence of Phase 1 of the joint Trans-Tasman Convergence project of the AASB and the FRSB. Phase 1 has addressed the harmonisation of financial reporting requirements across the Tasman in relation to for-profit entities that assert compliance with International Financial Reporting Standards (IFRSs). The Boards were keen to first address differences from IFRSs and between Australian and New Zealand Standards as they apply to for-profit entities, on the basis that such entities are the most likely to claim compliance with IFRSs and trade across the Tasman.	1 July 2011
AASB 2011-2	AASB 1054 contains the Australian-specific disclosures that are in addition to International Financial Reporting Standards. AASB 2011-1 contains the related amendments to other Australian Accounting Standards. For example, some of the disclosure requirements previously in paragraphs Aus15.1-Aus15.3 and other paragraphs of AASB 101 are now included in AASB 1054 instead. This Standard makes amendments to AASB 1054 to introduce reduced disclosure requirements to that Standard for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements. These reflect the reduced disclosure requirements originally specified in AASB 2010-2 for AASB 101 disclosures that are now in AASB 1054.	1 July 2013
AASB 2011-4	This Standard makes amendments to Australian Accounting Standard AASB 124 Related Party Disclosures. These amendments arise from a decision of the AASB to remove the individual key management personnel (KMP) disclosures from AASB 124 on the basis they: • are not part of International Financial Reporting Standards (IFRSs), which include requirements to disclose aggregate (rather than individual) amounts of KMP compensation; • are not included in New Zealand accounting standards and, accordingly, their removal is consistent with meeting the 2010 Outcome Proposal of the Australian and New Zealand governments that for-profit entities are able to use a single set of accounting standards and prepare only one set of financial statements; • are considered by the AASB to be more in the nature of governance disclosures that are better dealt with as part of the Corporations Act 2001; • were originally included in AASB 124 when fewer similar disclosure requirements were included in the Corporations Act and, in many respects, relate to similar disclosure requirements currently in that Act and therefore detract from the clarity of the requirements applying in this area; and • could be considered (during the transition period for this Amending Standard) for inclusion in the Corporations Act or other legislation to the extent they presently go beyond the requirements in legislation and are considered appropriate in light of government policy.	1 July 2013

2 Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.
The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are set out below.

Exploration and evaluation expenditure
Exploration and evaluation expenditure is reviewed regularly to ensure that the capitalised expenditure is only carried forward to the extent that it is expected to be recouped through the successful development of the area of interest or when activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves. This policy is outlined in note 1.

3 Financial Risk Management

The Group's major area of risk is managing liquidity and cash balances and embarking on fundraising activities in anticipation of further projects. The activities expose the Group to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, and other risks, ageing analysis for credit risk.
Risk management is carried out under policies set by the Executive Chairman and approved by the Board of Directors.

The Board provides principles for overall risk management, as well as policies covering specific areas, such as, interest rate risk, credit risk and investment of excess liquidity.

(a) Market risk

Foreign exchange risk
Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group operates internationally and is exposed to foreign exchange risk arising from currency exposures to the Papua New Guinea Kina and Brazilian Reals. As the Group is still in the development, exploration and evaluation stages, it has not needed to use forward contracts to manage foreign exchange risk. The Board will continue to monitor the Group's foreign currency exposures.

The Group's exposure to interest-rate risk is summarised in the following table. Fixed interest rate items mature within 12 months.

Price risk
The Group is exposed to commodity price risk and will be exposed to revenue risk once gold production starts. The commodity prices impact the Group's capacity to raise additional funds and will impact its sales of gold once production starts.

(b) Credit risk

The credit risk on financial assets of the Group which have been recognised in the consolidated Statement of Financial Position is generally the carrying value amount, net of any provisions for doubtful debts.

(c) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the ability of the Group to raise funds on capital markets. The Executive Chairman and the Board continue to monitor the Group's financial position to ensure that it has available funds to meet its ongoing commitments (refer to note 4).

3 Financial Risk Management (cont.)

(d) Cash flow interest rate risk

Consolidated	Notes	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
2011					
Financial assets					
Cash and cash equivalents	10	600,000	-	712,075	1,312,075
Trade and other receivables	11	-	-	150,018	150,018
Other financial assets	13	-	-	43,726	43,726
		600,000	-	905,819	1,505,819
Weighted average interest rate		*3.8%*			
Financial liabilities					
Bank overdraft	10	4,176	-	-	4,176
Trade and other payables	16	-	-	626,176	626,176
Related party payables	17	-	-	94,679	94,679
Non-interest bearing liabilities [2]	20	-	-	2,089,823	2,089,823
Spring Tree finance facility [1]	21	150,000	-	-	150,000
		154,176	-	2,810,678	2,964,854
Weighted average interest rate		*0% [1]*	*0%*		
Net financial assets/(liabilities)		445,824	-	(1,904,859)	(1,459,035)
2010					
Financial assets					
Cash and cash equivalents	10	200,000	-	291,434	491,434
Trade and other receivables	11	12,500	-	-	12,500
Promissory note	11	-	-	318,913	318,913
Paradise Drilling loan	12	-	-	147,082	147,082
Other financial assets	13	-	-	44,650	44,650
		212,500	-	802,079	1,014,579
Weighted average interest rate		*4.0%*			
Financial liabilities					
Bank overdraft	10	1,218	-	-	1,218
Trade and other payables	16	-	-	447,361	447,361
Related party payables	17	-	-	130,154	130,154
Spring Tree finance facility [1]	21	250,000	-	-	250,000
Convertible notes	21	-	479,806	-	479,806
Other financial liabilities [1]	18	-	14,053	-	14,053
		251,218	493,859	577,514	1,322,592
Weighted average interest rate		*0% [1]*	*9.9%*		
Net financial assets/(liabilities)		(38,718)	(493,859)	224,564	(308,013)

3 Financial Risk Management (cont.)

(d) Cash flow interest rate risk (cont.)

[1] Spring Tree institutional financing facility

As announced to the market on 9 April 2010, GOA entered into an institutional financing facility (the "facility") with New York based Spring Tree Special Opportunities Fund LLP for the provision of up to $6.7m in funding as follows:

- $250,000 advance as a first loan; and
- 18 additional second loan tranches of between $150,000 and $350,000 at approximately 30 day intervals.

The first loan is repayable in shares no later than October 2011. Each second loan tranche is repaid in the following month by way of shares. While the loans do not accrue any cash interest, a fee of $350,000 was payable to Spring Tree together with an initial grant of 11,000,000 options with a life of 3 years and an exercise price of $0.0455 on commencement of the Facility. Each repayment is accompanied by an issue of Tranche Options exercisable at 140% of the repayment share value, with a life of 3 years. Details of the options issued to date are included at note 28. Spring Tree was also issued 10,000,000 collateral shares at $0.034 per share as security for the loan. These shares will be cancelled on conclusion of the Facility. The formula by which monthly tranches are repaid in shares is:

- $0.0455 (or in the case of the first loan, 150% of the average volume-weighted price ("VWAPs") of the Company's ordinary shares for the 20 business days prior to the date of the agreement. This has been calculated at $0.0488 for the first loan); and
- 90% of the average of the daily VWAPs per share during a specified period prior to the repayment date of that tranche.

GOA has the option to repay any outstanding tranche at 105% of its face value and can terminate the agreement at any time without fee.

[2] Option Agreement with Kenai Resources Limited ("Kenai")

On 21 September 2010, the Company entered into an Option Agreement with Kenai Resources Ltd ("Kenai") on the following terms:

- GOA has agreed to grant to Kenai an option ("Initial Option"), for a period of 18 months from closing date, to purchase from GOA legal and beneficial ownership of 50% of the issued and outstanding common shares of its Brazilian subsidiary, Gold Aura do Brasil Mineração Limited ("GOAB"). GOAB has the right to acquire a 100% interest in certain mineral properties in Brazil under its Waldimiro agreement. The total funds in respect of the Initial Option are $3 million, of which $2.5 million have been advanced by Kenai to GOA as at 30 June 2011.
- Upon Kenai exercising the Initial Option, GOA has agreed to grant to Kenai a second option ("Second Option") to purchase from GOA an additional 25% of the issued and outstanding common shares of GOAB. The total funds in respect of the Second Option are $2 million.

At any time up to the expiration of the Initial Option period, Kenai may, at its sole discretion, instead of exercising the Initial Option, demand in writing repayment of such an amount of the Loan which has been advanced to GOA, in which case the Loan Amount will be due and payable by GOA to Kenai within 90 days. Cash is not the only form of payment that Kenai is contractually obliged to accept.

Under certain circumstances outlined in a Restated Option Agreement between GOA and Kenai entered into on 5 August 2011 (refer note 34), Kenai will agree to receive an offer from GOA in writing to repay the loan by issuing GOA shares at a defined conversion price

Further details of this agreement are included in note 34.

(e) Fair value estimation

The fair value of assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The Group measures fair values using the following fair value hierarchy that considers and reflects the significance of the inputs used in making the measurements:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (significant unobservable inputs).

The determination of what constitutes 'observable' requires significant judgment by the Group. The Group considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

3 Financial Risk Management (cont.)

(e) Fair value estimation (cont.)

The following table analyses within the fair value hierarchy the Group's financial assets and liabilities at fair value

30 June 2011	Level 1	Level 2	Level 3	Total
	$	$	$	$
Kenai loan	-	2,260,703	-	**2,260,703**
Capitalised finance costs	-	(170,880)	-	**(170,880)**
Spring Tree finance facility	-	150,000	-	**150,000**
Total	**-**	**2,239,823**	**-**	**2,239,823**

(f) Sensitivity analysis

Foreign currency risk sensitivity analysis

The Group is exposed to fluctuations in the value of the Australian Dollar to the PNG Kina (PKG) and Brazilian Real (BRL). At 30 June 2011, the effect on profit and equity of the Consolidated Group as a result of changes in the value of the Australian Dollar to the PKG and BRL, with all other variables remaining constant is as follows:

Movement to AUD	Change in profit $	Change in equity $	Movement to AUD	Change in profit $	Change in equity $
PKG by + 5%	129,661	(9,565)	BRL by + 5%	1,720	(271,946)
PKG by - 5%	(129,661)	9,565	BRL by – 5%	(1,720)	271,946

4 Going Concern

The financial statements are prepared on a going concern basis not withstanding that the Group has incurred a net loss after tax of $4,937,134 (2010: $1,280,119) for the full year. Cash outflows from operating and investing activities were $11,015,357 (2010: $4,631,365) and as at 30 June 2011, the Group had net current liabilities of $1,624,644 (2010: Net current assets $252,078) including gross cash on hand of $1,312,075 (2010: $491,434). These conditions may give rise to a material uncertainty which casts significant doubt over the Group's ability to continue as a going concern.

In determining the appropriateness of the accounts being presented on a going concern basis the Directors note the following:

a) Since the end of the financial year, the Company has raised a further $6,000,000 in cash by way of a private placement (note 34) from a heavily oversubscribed capital raising effort, indicating the market's increasing confidence that Crater Mountain is shaping up as PNG's next major gold discovery.

b) Included in current liabilities is an amount of $2,260,703 relating to the Kenai Loan. In the event that Kenai chooses not to exercise the Option and demands repayment, the Company is required to seek to raise funds and in the event it does not do so the Company can elect to satisfy the Kenai Loan by the issue of new shares. Further details of the Kenai loan are set out in note 20.

c) The Company's two key areas of expenditure are the Crater Mountain Project in Papua New Guinea and Sao Chico in Brazil. They are both exploration projects. The Directors recognise the risks associated with exploration. Consequently, its ability to pay its debts as and when they fall due will be dependent on its ability to secure appropriate levels of additional funding. The Company has successfully raised funds through share issues and debt funding on a number of occasions and the Directors are confident that this could be achieved should the need arise.

The Directors are satisfied that plans are in place for the Group to have positive cash flows through to September 2012. On this basis the Directors are of the opinion that the financial statements can be prepared on a going concern basis and the Group will be able to pay its debts as and when they fall due and payable.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

Note		Consolidated June 2011 $	June 2010 $
5	**Revenue from continuing operations**		
	Royalties	**50,526**	**-**
	Interest received	**23,172**	**51,941**
6	**Expenses**		

Expenses, excluding finance costs and exploration costs written off, included in the Statement of Comprehensive Income classified by nature

	June 2011 $	June 2010 $
Audit fees	66,632	95,226
Accounting	315,421	152,667
Consulting fees	399,057	204,793
Director related expenses		
- Directors' fees	174,746	73,333
- reimbursable expenses	783	-
Total director related expenses	175,529	73,333
Depreciation and amortisation expense	8,214	3,092
Employee benefits expense	483,703	81,112
Foreign exchange losses (net)	-	420
General administration expenses	190,123	362,537
Impairment of evaluation and exploration costs	2,673,926	-
Insurance		
- Directors & officers indemnity insurance	15,692	14,842
- other	8,376	1,559
Total insurance	24,068	16,402
Loss on disposals	13,030	-
Marketing and promotion expenses	104,077	27,356
Occupancy expenses	45,363	25,035
Other merger costs	(9,775)	85,029
Share registry / meeting costs	120,652	42,375
Telephone	40,159	28,059
Travel	159,380	99,423
	4,809,559	**1,296,859**

Note: The costs for the 2010 comparative period column are for the 8 month period from the date of the merger of Gold Anomaly Limited with Anomaly Resources Limited on 2 November 2009 to 30 June 2011.

The 2011 column is for the full 12 month period ended 30 June 2011.

Note	Consolidated June 2011 $	June 2010 $
7 Income Tax		
(a) Income tax		
Current tax expense	-	-
(b) Numerical reconciliation of income tax revenue to prima facie tax receivable		
Loss before income tax	(4,937,134)	(1,280,119)
Tax at the Australian tax rate of 30% (2010 – 30%)	(1,481,140)	(384,036)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of transactions within the Group that are not exempt from taxations	-	(207,036)
Difference in tax rate	5,161	7,523
Non-deductible share based payments	97,421	120,386
Other	165	105,514
	(1,378,393)	(357,649)
Net adjustment to deferred tax assets and liabilities for tax losses and temporary differences not recognised	1,378,393	357,649
Income tax expense	-	-
(c) Tax losses		
Unused tax losses for which no deferred tax asset has been recognised		
Opening balance	19,907,764	12,451,908
Tax profit / (loss) for the year	9,218,541	7,455,856
Closing balance	**29,126,305**	**19,907,764**
Potential Tax Benefits @ 30%	**8,737,813**	**5,972,329**
(d) Unrecognised temporary differences		
Temporary differences for which deferred tax assets and liabilities have not been recognised:		
Exploration and evaluation	(10,554,009)	(6,093,365)
Capitalised interest	(170,880)	(546,817)
Prepayment	-	(3,524)
Property, plant & equipment	4,238	2,894
Accruals	35,000	35,262
Employee Entitlements	136,000	110,392
Lease Liabilities	-	14,053
Capital Raising Costs	822,102	244,579
Provision for write down of investment	125,000	125,000
Business related capital costs	25,694	38,542
Subtotal	(9,576,855)	(6,072,984)
Potential Tax effect at 30%	**(2,873,056)**	**(1,821,895)**

Note		Consolidated June 2011 Cents	June 2010 Cents
8	**Earnings per Share**		
(a)	**Basic loss per share**		
Profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company		(0.474)	(0.197)
(b)	**Diluted loss per share**		
Profit/(loss) from continuing operations attributable to the ordinary equity holders of the Company		(0.474)	(0.197)

The calculation of basic earnings per share at 30 June 2011 was based on the continuing operations loss attributable to ordinary shareholders of $2,442,901 (2010 loss: $1,280,119) and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2011 of 1,041,274,504 (2010: 650,270,815).

(c)	**Weighted average number of shares used as a denominator**	**2011 Shares**	**2010 Shares**
	Basic loss per share	1,041,274,504	650,270,815
	Diluted loss per share	1,041,274,504	650,270,815

At the year end, the consolidated entity had 175,809,284 options on issue (2010: 103,048,849), representing:

- 112,182,905 listed options on issue with an exercise price of 3.0 cents (2010: 86,647,353);
- 63,626,379 unlisted options with weighted average exercise price of 3.97 cents (2010: 16,401,496).

9 Segment Result

	Croydon $	Fergusson Island $	Crater Mountain / Bogia $	Sao Chico $	Corporate $	Elimination $	Consolidated $
Full-year to 30 June 2011							
External segment revenue	-	-	-	-	73,698	-	**73,698**
Loss on disposal	-	-	(13,030)	-	-	-	**(13,030)**
Asset write downs	-	(2,514,233)	-	-	(1,381,606)	1,221,913	**(2,673,926)**
Other expenses	-	(451,075)	94,995	(411,980)	(2,223,502)	667,686	**(2,323,876)**
Segment profit (loss)	-	(2,965,308)	81,965	(411,980)	(3,531,410)	1,889,599	**(4,937,134)**
Segment assets	3,507,857	167,222	7,581,166	9,600,773	33,193,168	(30,677,432)	**23,372,754**
Segment liabilities	-	3,037,159	6,109,034	4,573,826	2,716,483	(13,349,765)	**3,086,737**
Full-year to 30 June 2010							
External segment revenue	-	-	2,192	-	49,749	-	**51,941**
Asset write downs	-	-	-	-	(3,531,795)	3,531,795	**-**
Other expenses	-	(271,697)	(350,583)	37,706	(982,054)	234,567	**(1,332,060)**
Segment profit (loss)	-	(271,697)	(348,391)	37,706	(4,464,099)	3,766,362	**(1,280,119)**
Segment assets	3,435,365	2,724,209	2,326,181	4,092,623	24,043,000	(20,581,498)	**16,039,880**
Segment liabilities	-	2,897,126	797,716	3,817,873	643,077	(7,270,977)	**884,816**

Reconciliation of Segment Profit to loss for the period from continuing operations:

Segment profit (loss)	**(4,937,134)**
Loss for the period from continuing operations	**(4,937,134)**

Segment information is presented using a "management approach", i.e. segment information is provided on the same basis as information used for internal reporting purposes by the chief executive and the Board. In identifying its operating segments, management generally follows the Group's project activities. Each of these activities is managed separately.

Description of segments

Croydon
This project consists of two sub-projects in far North West Queensland, the Croydon Zinc Project and the Croydon Gold Project.

Fergusson Island
This project consists of two gold exploration projects at Wapolu and Gameta on Fergusson Island, in Milne Bay province, PNG.

Crater Mountain
This is an advanced exploration project located in the PNG Highlands approximately 50kms southwest of Goroka. Bogia is a gold-copper mineralisation project on the north coast of PNG.

Sao Chico
This is a gold exploration project at Sao Chico, Para State, Brazil.

Note		Consolidated June 2011 $	June 2010 $
10	**Current Assets - Cash and Equivalents**		
Cash at bank and on hand		**1,312,075**	**491,434**

The effective (weighted average) interest rate on short term bank deposit was 3.8% (2010: 4.0%).

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position as follows:

	June 2011 $	June 2010 $
Cash at bank and in hand	1,312,075	491,434
Bank overdrafts	(4,176)	(1,218)
	1,307,899	**490,216**

Note		June 2011 $	June 2010 $
11	**Current Assets - Trade and Other Receivables**		
GST receivable		70,923	29,432
Prepayments		9,819	12,303
Deposits		-	12,500
Promissory note received for issue of shares		-	318,913
Other		69,276	89,323
		150,018	**462,471**
12	**Non-Current Assets - Receivables**		
Other debtors		-	147,082
		-	**147,082**
13	**Non-Current Assets - Other Financial Assets**		
Security deposits		43,726	44,651
		43,726	**44,651**

Note		Consolidated June 2011 $	June 2010 $
14	**Non-Current Assets - Exploration and Evaluation**		
At the beginning of the year			
Cost		10,789,164	2,150,269
Provision for impairment		-	-
Net book value		**10,789,164**	**2,150,269**
Opening net book value		14,182,650	2,150,269
Expenditure capitalised		7,880,462	2,394,892
Gold Anomaly Limited balance on merger		-	9,701,728
Impairment		(2,673,926)	-
Effect of movement in exchange rates		(418,800)	(64,239)
Closing net book value		18,970,386	14,182,650
At the end of the year			
Cost		18,970,386	14,182,650
Provision for impairment		-	-
Net book value		**18,970,386**	**14,182,650**

The ultimate recoupment of costs carried forward for exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective areas.

Note	Consolidated June 2011 $	June 2010 $
15 Non-Current Assets - Plant and Equipment		
<u>Plant and equipment</u>		
Cost	3,062,395	814,066
Accumulated depreciation	(165,846)	(102,474)
Net book value	**2,896,549**	**711,592**
<u>Equipment under finance lease</u>		
Cost	47,190	47,190
Accumulated depreciation	(47,190)	(47,190)
Net book value	-	-
Total	**2,896,549**	**711,592**

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and prior financial years are set out below.

	Consolidated Plant and equipment	Equipment under Finance Lease	Total
Carrying amount as at 1 July 2009	26,412	-	26,412
Acquired on acquisition	47,505	10,390	57,895
Additions – (including Sao Chico processing plant)	659,614	-	659,613
Disposals	-	-	-
Depreciation expense	(8,179)	-	(8,179)
Depreciation capitalised	(12,091)	(10,390)	(22,481)
Effect of movements in exchange rates	(1,669)	-	(1,669)
Carrying amount as at 30 June 2010	**711,592**	**-**	**711,592**
Additions – (including Sao Chico processing plant)	2,287,032	-	2,287,032
Disposals	(13,030)	-	(13,030)
Depreciation expense	(8,214)	-	(8,214)
Depreciation capitalised	(27,614)	-	(27,614)
Effect of movements in exchange rates	(53,217)	-	(53,217)
Carrying amount as at 30 June 2011	**2,896,549**	**-**	**2,896,549**

16 Current Liabilities - Trade and Other Payables

Note	Consolidated June 2011 $	June 2010 $
Trade payables	8,791	35,486
Accruals	546,696	335,221
Other payables	70,689	76,653
	626,176	**447,360**

Refer to note 3(d) for detailed information on financial instruments.

Note		Consolidated June 2011 $	June 2010 $
17	**Related Party Payables**		
R Buckland		20,000	25,000
K G Chapple		-	3,058
K G Chapple (K C Integrated Consulting Pty Ltd)		1,100	1,100
J D Collins-Taylor (ACM Nominees Ltd)		-	15,742
T M Fermanis		-	19,167
J A Lemon		6,579	1,013
R N McLean		-	19,167
J S Spence		-	19,167
G B Starr (G Starr and Associates Pty Ltd)		27,500	15,647
I K White (Professional-Edge Pty Ltd)		39,500	11,094
		94,679	**130,154**

Mr. K G Chapple is the Managing Director of KC Integrated Consulting Pry Ltd, a company that provides office accommodation to the Company in Brisbane.

Mr. J S Spence is a Director of Sinton Spence Chartered Accountants PNG, a firm that provides accounting services to the Company in PNG.

18	**Current Liabilities - Interest Bearing Liabilities**		
Bank overdraft		4,176	1,219
Spring Tree finance facility		150,000	-
Lease liabilities		-	14,054
		154,176	**15,273**

19	**Current Liabilities – Provisions**		
Employee entitlements			
Balance as at 1 July		109,040	-
Gold Anomaly Limited provision at merger		-	105,255
Entitlements provided		31,856	15,917
Entitlements taken		(19,013)	(12,132)
Employee entitlements		**121,883**	**109,040**

20	**Current Liabilities – Non-interest Bearing liabilities**		
Kenai Resources Ltd Loan *		2,260,703	-
Capitalised finance costs		(170,880)	-
		2,089,823	**-**

* Related party (Mr G B Starr, Executive Chairman of GOA, is President of Kenai Resources Ltd)

Refer to note 3(d) for detailed information on financial instruments and the Kenai loan.
In the event that Kenai chooses not to exercise the Option and demands repayment, the Company may be able to extinguish the debt not only by repayment in cash but also by the issue of GOA shares.

Note	Consolidated June 2011 $	June 2010 $
21 Non-Current Liabilities – Interest Bearing liabilities		
Spring Tree finance facility	-	250,000
Convertible notes	-	479,806
Capitalised finance costs	-	(546,817)
	-	**182,989**

Refer to note 3(d) for detailed information on financial instruments.

22 Contributed Equity

(a) Share capital

Equity Securities Issued	No. of A, B and C class shares	$	No. of ordinary shares	$	Total $
For the financial year ended 30 June 2011					
As at 1 July 2010	-	-	851,775,446	16,320,956	16,320,956
Shares issued	-	-	371,935,467	10,137,381	10,137,381
As at 30 June 2011	**-**	**-**	**1,223,710,913**	**26,458,337**	**26,458,337**
For the financial year ended 30 June 2010					
As at 1 July 2009	60	30,000	383,230,659	2,225,371	2,255,371
Shares issued	-	-	468,544,787	14,095,585	14,095,585
Shares cancelled	(60)	(30,000)	-	-	(30,000)
As at 30 June 2010	**-**	**-**	**851,775,446**	**16,320,956**	**16,320,956**

(b) 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 shares and the amounts paid on those shares.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote and upon a poll, each share is entitled to one vote.

(c) Convertible Notes

During the year, $52,188 was paid in interest on Convertible Notes (2010: $52,952) and 1,225 Notes were converted to shares (2010: 2,374) in accordance with the terms of their issue, leaving no remaining Convertible Notes outstanding at 30 Jun 2011 (2010: 1,225).

(d) Employee Share Option Plan

Information relating to the Employee Share Option Plan, including details of options issued, exercised, lapsed and outstanding during the financial year is set out in note 27(b).

22 Contributed Equity (cont.)

(e) Movements in share capital

Date	Details	No. of shares	Value $
For the financial year ended 30 June 2011			
01-Jul-10	Balance 1 July - Ordinary Shares	851,775,446	16,320,956
30-Jul-10	Spring Tree loan conversion	7,009,346	150,000
30-Aug-10	Spring Tree loan conversion	8,379,888	150,000
20-Sep-10	Share Purchase Plan at 2.0 cents	71,000,000	1,420,000
23-Sep-10	Spring Tree loan conversion	5,681,818	100,000
30-Sep-10	Spring Tree loan conversion	8,108,108	150,000
20-Oct-10	Spring Tree loan conversion	5,050,505	100,000
01-Nov-10	Spring Tree loan conversion	7,281,553	150,000
02-Nov-10	Spring Tree loan conversion	7,389,163	150,000
12-Nov-10	Placement of shares at 3.0 cents	76,666,665	2,300,000
22-Nov-10	Conversion of Convertible Notes	24,500,000	612,500
23-Nov-10	Spring Tree loan conversion	6,550,218	150,000
01-Dec-10	Spring Tree loan conversion	4,901,961	150,000
21-Dec-10	Spring Tree loan conversion	7,575,758	250,000
21-Jan-11	Spring Tree loan conversion	7,886,435	250,000
24-Feb-11	Spring Tree loan conversion	9,328,358	250,000
22-Mar-11	Option exercise at 3.0 cents	20,000	600
31-Mar-11	Spring Tree loan conversion	8,896,797	250,000
04-May-11	Spring Tree loan conversion	8,802,817	250,000
13-May-11	Placement of shares at 4.0 cents	90,000,000	3,600,000
03-Jun-11	Spring tree loan conversion	6,906,077	250,000
	Less: Transaction costs arising on share issues		(545,719)
		1,223,710,913	**26,458,337**

In September 2010 the Company raised $1,420,000 under its Share Purchase Plan Offer of 10 August 2010 enabling shareholders to each purchase up to $15,000 worth of fully paid ordinary shares in the Company at the issue price of 2.0 cents per share. In November 2010 the Company raised $2.3 million at 3 cents per share via placement to various professional and sophisticated investors through several broking firms. The Company concluded another placement in May 2011 to professional and sophisticated investors raising $3.6 million at 4 cents per share with Austock as lead manager.

For the financial year ended 30 June 2010			
01-Jul-09	Balance 1 July - Ordinary Shares	383,230,659	2,225,371
02-Nov-09	Shares initially issued to shareholders of Gold Aura Ltd at 3.14 cents as consideration for their shares in Gold Aura Ltd.	293,229,833	9,152,291
27-Nov-09	Placement of shares at 3.5 cents	97,000,000	3,395,000
09-Dec-09	Conversion of Convertible Notes at 2.5 cents	2,800,000	70,000
	Less: Transaction costs arising on share issues		(229,326)
20-Jan-10	Placement of shares at 3.5 cents	10,000,000	350,000
19-Feb-10	Placement of shares at 3.5 cents	12,388,200	433,587
31-Mar-10	Placement of shares at 3.5 cents	9,111,800	318,913
09-Apr-10	Issue of shares as security for Spring Tree Facility	10,000,000	-
28-May-10	Placement of shares at 1.94 cents	25,773,196	500,000
25-Jun-10	Placement of shares at 1.82 cents	8,241,758	150,000
	Less: Transaction costs arising on share issues	-	(74,365)
		851,775,446	**16,320,956**

22 Contributed Equity (cont.)

(f) Movement in options

Date	Details	Listed	Class of options Unlisted	Total
For the financial year ended 30 June 2011				
01-Jul-10	Balance 1 July - Options	86,647,353	16,401,496	103,048,849
29-Jul-10	Spring Tree Options (refer note 27)		700,935	700,935
30-Aug-10	Spring Tree Options (refer note 27)		837,989	837,989
22-Sep-10	Spring Tree Options (refer note 27)		568,182	568,182
29-Sep-10	Spring Tree Options (refer note 27)		810,811	810,811
19-Oct-10	Spring Tree Options (refer note 27)		505,051	505,051
29-Oct-10	Spring Tree Options (refer note 27)		728,155	728,155
01-Nov-10	Spring Tree Options (refer note 27)		738,916	738,916
12-Nov-10	Private placement	25,555,552		25,555,552
22-Nov-10	Spring Tree Options (refer note 27)		655,022	655,022
30-Nov-10	Spring Tree Options (refer note 27)		490,196	490,196
20-Dec-10	Spring Tree Options (refer note 27)		757,576	757,576
21-Jan-11	Spring Tree Options (refer note 27)		788,644	788,644
24-Feb-11	Spring Tree Options (refer note 27)		932,836	932,836
22-Mar-11	Options exercised at 3.0 cents	(20,000)		(20,000)
31-Mar-11	Spring Tree Options (refer note 27)		889,680	889,680
31-Mar-11	Employee Share Option Plan		29,500,000	29,500,000
04-May-11	Spring Tree Options (refer note 27)		880,282	880,282
30-May-11	Employee Share Option Plan		6,750,000	6,750,000
03-Jun-11	Spring Tree Options (refer note 27)		690,608	690,608
		112,182,905	**63,626,379**	**175,809,284**
For the financial year ended 30 June 2010				
01-Jul-09	Balance 1 July - Option	85,047,353	2,000,000	87,047,353
19-Oct-09	Options issued as part consideration for professional services	2,000,000		2,000,000
19-Oct-09	Options exercised at 3.0 cents	(400,000)		(400,000)
09-Apr-10	Spring Tree Options (refer note 27)		11,000,000	11,000,000
28-May-10	Spring Tree Options (refer note 27)		2,577,320	2,577,320
25-Jun-10	Spring Tree Options (refer note 27)		824,176	824,176
		86,647,353	**16,401,496**	**103,048,849**

Each option entitles the holder to purchase one share. The names of all persons who currently hold share options, granted at any time, are entered in the register kept by the Company, pursuant to Section 168 of the *Corporations Act 2001*, which may be inspected free of charge. Persons entitled to exercise these options have no right, by virtue of the options, to participate in any share issue by the parent entity or any other body corporate.

The model inputs for options granted during the year ended 30 June 2011 included:

- Options were granted for no consideration;
- Exercise prices of 3.5 cents and 4.5cents;
- Grant dates of 31 March 2011 and 30 May 2011;
- Expiry date of 30 June 2015;
- Vesting periods between 0 years and 3.1 years;
- Share prices at grant date of 3.2 cents and 4.6 cents;
- Expected volatility of the companies shares 95.25%;
- Expected dividend yield of 0%; and
- Risk free rates of 5.33% and 5.45%.

Note		Consolidated June 2011 $	June 2010 $
23	**Reserves and Accumulated Losses**		
	Reserves		
	Share based payment reserve	873,255	324,194
	Share cancellation reserve	30,000	30,000
	Foreign currency translation reserve	(322,144)	296,211
		581,111	**650,405**
	Movements		
	Share-based Payments Reserve		
	Balance 1 July 2010	324,194	-
	Fair value of equity component of Convertible Note issue	(63,332)	-
	Fair value of Employee Share Option Plan share options	394,666	-
	Fair value of Spring Tree Commitment Options	-	265,169
	Fair value of options issued in connection with repayment of the 1st Spring Tree finance facility	51,230	42,969
	Fair value of options issued in connection with repayment of the 2nd Spring Tree finance facility	166,497	16,056
	Balance 30 June 2011	**873,255**	**324,194**
	Share Cancellation Reserve		
	Balance 1 July 2010	30,000	-
	Cancellation of A, B and C class shares	-	30,000
	Balance 30 June 2011	**30,000**	**30,000**
	Foreign currency translation reserve		
	Balance 1 July 2010	296,211	305,750
	Currency translation differences	(618,355)	(9,539)
	Balance 30 June 2011	**(322,144)**	**296,211**
	Accumulated Losses		
	Movements in accumulated losses were as follows:		
	Balance 1 July 2010	(1,816,297)	(536,178)
	Loss for the year	(4,937,134)	(1,280,119)
	Balance 30 June 2011	**(6,753,431)**	**(1,816,297)**

Nature and purpose of reserves

Share-based payments reserve
The share-based payments reserve is used to recognise:

- The fair value of options issued to employees and Directors; and
- The fair value of options issued as consideration for goods or services rendered.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign controlled entity are taken to the foreign currency translation reserve. The reserve is recognised in the Consolidated Statement of Comprehensive Income when the net investment is disposed.

Note	Consolidated June 2011 $	June 2010 $
24 Commitments		
Operating leases		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	26,221	-
	26,221	**-**
Exploration expenditure		
Commitments for minimum exploration expenditures are payable as follows:		
Within one year	957,126	1,317,355
Later than one year but not later than five years	250,622	948,566
	1,207,748	**2,265,291**

Sao Chico project agreement

Waldimiro previously authorised five persons to conduct informal mining activities in the Sao Chico project area, which covers approximately 22,500m^2. Under the agreement for the acquisition of mining rights entered into with Waldimiro (the "Agreement") Gold Aura do Brasil Mineração Ltda ("GOAB") is responsible for all payments necessary for the removal of these persons. Payments will be negotiated by Waldimiro up to a limit determined by GOAB may deduct 40% of all payments made to the persons from the Royalties on Gold to be paid to Waldimiro. GOAB has not yet determined the maximum amounts that would be payable to each of these persons but it is unlikely to exceed 10% of the gold produced in the areas allocated to each of these persons.

Under the Agreement, GOAB and Waldimiro will share the profits of the Sao Chico project on the basis of 60% to GOAB and 40% to Waldimiro. Under the Agreement, GOAB has agreed to pay BRL 3,000 (A$1,900) per month to Waldimiro for the use of an office, lodging facilities and an additional building.

	June 2011 $	June 2010 $
25 Guarantees and Deposits		
Current		
Motor vehicle lease guarantee deposit	**-**	**12,500**
Non-Current		
Deposit lodged with the Department of Mines	30,000	30,000
Accommodation and rental bonds	8,544	-
Deposit lodged with PNG Department of Mining and Petroleum	5,182	5,903
	43,726	**35,903**

26 Director and Key Management Personnel Disclosures

(a) Directors

The following persons were Directors of the Company during the financial year:

Name	Position	Period
G B Starr	Chairman *(Executive)*	Full year
K G Chapple	Director *(Executive)*	Full year
J D Collins-Taylor	Director *(Non-executive)*	Full year
T M Fermanis	Director *(Non-executive)*	Full year
R P Macnab	Director *(Non-executive)*	Full year
R N McLean	Director *(Non-executive)*	Resigned 1 December 2010
J S Spence	Director *(Non-executive)*	Full year

(b) Key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	Position	Period
2011		
J A Lemon	Company Secretary	Full year
I K White	Chief Financial Officer	Resigned 24 April 2011
G Dionisio	Chief Financial Officer	Appointed 25 April 2011
G R Boyce	Senior Financial Consultant	Appointed 10 May 2011
R Buckland	Country Manager - Brazil	Full year
J Batista	General Manager - Brazil	Appointed 27 April 2011
P M B Smith	Country Manager – Papua New Guinea	Appointed 1 February 2011
2010		
J A Lemon	Company Secretary	Full year
I K White	Chief Financial Officer	Full year
R Buckland	Country Manager - Brazil	Full year

26 Director and Key Management Personnel Disclosures (cont.)

(c) Equity instrument disclosures relating to Directors and key management personnel

Options and rights over equity instruments

The number of options over ordinary shares in the Company held during the financial year by each Director and key management personnel of the Group, including their personally related parties are set out below:

Name	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year
2011					
Directors					
G B Starr	4,500,000	8,000,000	-	-	**12,500,000**
K G Chapple	1,431,808	8,000,000	-	-	**9,431,808**
J D Collins-Taylor	618,202	3,000,000	-	-	**3,618,202**
T M Fermanis	-	1,500,000	-	-	**1,500,000**
R P Macnab	-	-	-	-	**-**
J S Spence	-	1,500,000	-	-	**1,500,000**
Key management personnel					
J A Lemon	-	2,500,000	-	-	**2,500,000**
I K White	-	2,000,000	-	-	**2,000,000**
G Dionisio	-	-	-	-	**-**
G R Boyce	-	-	-	-	**-**
R Buckland	-	3,000,000	-	-	**3,000,000**
J Batista	-	-	-	-	**-**
P M B Smith	-	4,000,000	-	-	**4,000,000**
2010					
Directors					
G B Starr	4,500,000	-	-	-	**4,500,000**
K G Chapple	1,431,808	-	-	-	**1,431,808**
J D Collins-Taylor	618,202	-	-	-	**618,202**
T M Fermanis	-	-	-	-	**-**
R P Macnab	-	-	-	-	**-**
R N McLean	-	-	-	-	**-**
J S Spence	-	-	-	-	**-**
Key management personnel					
J A Lemon	-	-	-	-	**-**
I K White	-	-	-	-	**-**
R Buckland	-	-	-	-	**-**

26 Director and Key Management Personnel Disclosures (cont.)

(c) Equity instrument disclosures relating to Directors and key management personnel (cont.)

Share holdings

The number of shares in the Company held during the financial year by each Director and key management personnel of the Group, including their personally related parties are set out below:

Name	Balance at the start of the year	Issued in exchange for ANJ shares on merger	Granted during the year as compensation	Received during the year on exercise of options	Other changes during the year	Balance at the end of the year
2011						
Directors						
G B Starr	10,000,000	-		-	750,000	**10,750,000**
K G Chapple	2,863,616	-	-	-	-	**2,863,616**
J D Collins-Taylor	2,736,404	-		-	750,000	**3,486,404**
T M Fermanis	56,250,008	-	-	-	-	**56,250,008**
R P Macnab	8	-	-	-	-	**8**
J S Spence	56,250,008	-	-	-	750,000	**57,000,008**
Key management personnel					-	
J A Lemon	570,000	-	-	-	-	**570,000**
I K White	-	-	-	-	-	**-**
G Dionisio	-	-	-	-	200,000	**200,000**
G R Boyce	-	-	-	-	-	**-**
R Buckland	-	-	-	-	-	**-**
J Batista	-	-	-	-	-	**-**
P M B Smith	-	-	-	-	250,000	**250,000**
2010						
Directors						
G B Starr	5,000,000	-	5,000,000	-	-	**10,000,000**
K G Chapple	2,863,616	-	-	-	-	**2,863,616**
J D Collins-Taylor	1,236,404	-	1,500,000	-	-	**2,736,404**
T M Fermanis	-	56,250,008	-	-	-	**56,250,008**
R P Macnab	-	8	-	-	-	**8**
R N McLean	-	56,250,008	-	-	-	**56,250,008**
J S Spence	-	56,250,008	-	-	-	**56,250,008**
Key management personnel					-	
J A Lemon	570,000	-	-	-	-	**570,000**
I K White	-	-	-	-	-	**-**
R Buckland	-	-	-	-	-	**-**

(d) Transactions with Directors and key management personnel

Mr K G Chapple is a Director and shareholder of KC integrated Consulting Pty Ltd. During the year, the Company continued with an agreement previously entered into with KC Integrated Consulting Pty Ltd for the provision of office accommodation and office facilities. The cost of these services is currently $1,000 per month. The Board considers that these terms are reasonable and no more favourable than the alternatively arrangements available, or reasonably expected to be available.

Mr J S Spence is a Director of Sinton Spence Chartered Accountants PNG, a firm that provides accounting services to the Company in PNG. The Board considers that the terms under which these services are provided are reasonable and no more favourable than the alternative arrangements available, or reasonably expected to be available.

27 Share Option Based Payments

(a) Recognised share option based payment expenses

The expense recognised for share options granted for employee services received during the year is shown in the table below:

	Consolidated	
	June 2011 $	June 2010 $
Expense arising from equity settled share-based payment transactions	344,292	-
	344,292	**-**

(b) Employee Share Option Plan

The establishment of the Gold Anomaly Employee Share Option Plan ("the Plan") was approved by shareholders on 22 June 2007. The Plan is designed to provide long term incentives for executives, staff and contractors to deliver long term shareholder returns. Participation in the Plan is at the Board's discretion and no individual has a contractual right to participate in the Plan or to receive any guaranteed benefits. Options granted under the Plan carry no dividend or voting rights.

Summary of options granted under the Employee Share Option Plan

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options issued during the year:

	Consolidated			
	2011		2010	
	No.	WAEP $	No.	WAEP $
Outstanding at the beginning of the year	**-**	**-**	**-**	**-**
Granted	36,250,000	$0.041	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at the end of the year	**36,250,000**	**$0.041**	**-**	**-**
Exercisable at the end of the year	14,166,666	$0.035	-	-

Option pricing model – Employee Share Option Plan

The fair value of the equity-settled share options granted under the Employee Share Option Plan is estimated as at the date of grant using a Black-Scholes option pricing Model taking into account the terms and conditions upon which the options were granted. The model takes into account the historic dividends and share price volatilities and each comparator company to produce a predicted distribution of relative share performance.

Historical volatility of 95.25% has been the basis for determining expected share price volatility as it is not expected that this volatility will change significantly over the life of the options. The expected life of the options is taken to be the full period of time from grant date to expiry date as there is no expectation of early exercise of the options. The options are options to subscribe for ordinary shares in the capital of the Company. The options are issued for no consideration. A risk free rate of 5.45% was used in the model. Shares issued on exercise of the option will rank pari passu with all existing shares of the Company from the date of issue.

27 Share Option Based Payments (cont.)

(c) Share option based payments made to unrelated party

During the year, the Company issued 10,974,883 options over ordinary shares (2010: 16,401,496) to extinguish certain liabilities. Details of these liabilities are shown at note 28.

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movements in, share options on issue to unrelated parties in settlement of liabilities:

	Consolidated			
	2011		2010	
	No.	WAEP $	No.	WAEP $
Outstanding at the beginning of the year	**16,401,496**	**$0.0397**	**-**	**-**
Granted	10,974,883	$0.0351	16,401,496	$0.0397
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-		
Outstanding at the end of the year	**27,376,379**	**$0.0386**	**16,401,496**	**$0.0397**
Exercisable at the end of the year	27,376,379	$0.0386	16,401,496	$0.0397

The exercise price for options on issue ranges from $0.0246 to $0.0507 per option.

28 Equity settled liabilities

(a) Share based payments

2011 Date	Creditor	No. of shares	Value per share	Total $	Valuation
30 July 2010	Spring Tree	7,009,346	$0.021	150,000	Value of principal
30 August 2010	Spring Tree	8,379,888	$0.018	150,000	Value of principal
23 September 2010	Spring Tree	5,681,818	$0.018	100,000	Value of principal
30 September 2010	Spring Tree	8,108,108	$0.019	150,000	Value of principal
20 October 2010	Spring Tree	5,050,505	$0.020	100,000	Value of principal
1 November 2010	Spring Tree	7,281,553	$0.021	150,000	Value of principal
2 November 2010	Spring Tree	7,389,163	$0.020	150,000	Value of principal
23 November 2010	Spring Tree	6,550,218	$0.023	150,000	Value of principal
1 December 2010	Spring Tree	4,901,961	$0.031	150,000	Value of principal
21 December 2010	Spring Tree	7,575,758	$0.033	250,000	Value of principal
21 January 2011	Spring Tree	7,886,435	$0.032	250,000	Value of principal
24 February 2011	Spring Tree	9,328,358	$0.027	250,000	Value of principal
31 March 2011	Spring Tree	8,896,797	$0.028	250,000	Value of principal
4 May 2011	Spring Tree	8,802,817	$0.028	250,000	Value of principal
3 June 2011	Spring Tree	6,906,077	$0.036	250,000	Value of principal
		109,748,802	**$0.025**	**2,750,000**	

All shares issued as per above were issued to Spring Tree as repayments of loan.

28 Equity settled liabilities (cont.)

(a) Share based payments (cont.)

2010 Date	Creditor	No. of shares	Value per share	Total $	Valuation
Directors – payment in lieu of Directors' fees					
19 October 2009	G B Starr	5,000,000	$0.020	100,000	Value of services provided
19 October 2009	J D Collins-Taylor	1,500,000	$0.020	30,000	Value of services provided
		6,500,000		130,000	
Other creditors – for payments recognised in equity					
Payment to nominee of Martin Place Securities for brokerage services					
19 October 2009	Tuxedo Investments	2,000,000	$0.025	50,000	Value of services provided
Trade Creditors – for payments recognised in loss from continuing operations					
Security deposit for provision of finance facility					
9 April 2010	Spring Tree	10,000,000	-	-	Agreed value of loan collateral based on $0.34 cents per share
Repayment of loan					
28 May 2010	Spring Tree	25,773,196	$0.019	500,000	Agreed value of interest payment
30 June 2010	Spring Tree	8,241,758	$0.018	150,000	Agreed value of interest payment
Total		**52,514,954**	**$0.0158**	**830,000**	

In accordance with the Spring Tree financing facility Spring Tree was issued 10,000,000 collateral shares at as security for the loan. These shares will be cancelled on conclusion of the Facility.

In addition to the payments listed above, 383,230,659 shares were issued to previous shareholders of ANJ in consideration for their shares in ANJ as part of the take-over of this company on 2 November 2009.

280,000 shares were issued on conversion of 140 convertible notes on 9 December 2009 and a further 44,680,000 shares were issued on the conversion of 2,234 convertible notes on 23 December 2009.

28 Equity settled liabilities (cont.)

(b) Option based payments

During the year, the Company issued 10,974,883 options (2010: 16,401,496) over ordinary shares to extinguish certain liabilities. Details of these issues and other relevant information required to be disclosed under Accounting Standard AASB 2 are shown in the following table:

2011

Grant Date	Expiry Date	No. of unlisted option	Value per option	Total $	Exercise price	Life of option	Under-lying share price	Expected share price volatility	Risk free interest rate
29-Jul-10	29-Jul-13	700,935	$0.0146	10,262	$0.0300	3.0	$0.0250	95.25%	5.24%
30-Aug-10	30-Aug-13	837,989	$0.0123	10,277	$0.0251	3.0	$0.0210	95.25%	4.84%
22-Sep-10	22-Sep-13	568,182	$0.0148	8,410	$0.0246	3.0	$0.0240	95.25%	5.10%
29-Sep-10	29-Sep-13	810,811	$0.0154	12,452	$0.0259	3.0	$0.0250	95.25%	5.05%
19-Oct-10	19-Oct-13	505,051	$0.0183	9,242	$0.0277	3.0	$0.0290	95.25%	5.14%
29-Oct-10	31-Oct-13	728,155	$0.0198	14,386	$0.0288	3.0	$0.0310	95.25%	5.21%
01-Nov-10	01-Nov-13	738,916	$0.0241	17,781	$0.0284	3.0	$0.0360	95.25%	5.24%
22-Nov-10	22-Nov-13	655,022	$0.0241	15,798	$0.0321	3.0	$0.0370	95.25%	5.50%
30-Nov-10	30-Nov-13	490,196	$0.0196	9,614	$0.0428	3.0	$0.0340	95.25%	5.41%
20-Dec-10	20-Dec-13	757,576	$0.0199	15,050	$0.0462	3.0	$0.0350	95.25%	5.51%
21-Jan-11	20-Jan-14	788,644	$0.0233	18,383	$0.0444	3.0	$0.0390	95.25%	5.49%
24-Feb-11	23-Feb-14	932,836	$0.0205	19,157	$0.0375	3.0	$0.0340	95.25%	5.47%
31-Mar-11	30-Mar-14	889,680	$0.0186	16,567	$0.0393	3.0	$0.0320	95.25%	5.45%
04-May-11	03-May-14	880,282	$0.0266	23,420	$0.0398	3.0	$0.0420	95.25%	5.33%
03-Jun-11	02-Jun-14	690,608	$0.0245	16,930	$0.0507	3.0	$0.0420	95.25%	5.16%
		10,974,883	**$0.0198**	**217,729**	**$0.0349**				

Note:

All of the above options were issued to Spring Tree Special Opportunities Fund LLP for interest payments on the facility. They were valued using the Black-Scholes valuation method.

All options granted vest immediately.

2010

Grant Date	Expiry Date	No. of options	Value per option	Total $	Exercise price	Life of option	Under-lying share price	Expected share price volatility	Risk free interest rate
19-Oct-09[1]	30-Jun-12	2,000,000	$0.0385	77,091	$0.0300	2.7	$0.049	126.2%	5.22%
09-Apr-09[2]	07-Apr-13	11,000,000	$0.0241	265,169	$0.0455	3.0	$0.034	126.2%	5.81%
28-May-10[3]	22-Sep-13	2,577,320	$0.0148	42,469	$0.0272	3.0	$0.023	126.2%	5.42%
25-Jun-10[3]	29-Sep-13	824,176	$0.0154	16,056	$0.0255	3.0	$0.026	126.2%	5.26%
		16,401,496	**$0.0245**	**401,285**	**$0.0349**				

Note

1. Purchases resulting in these liabilities were for capital raising and recognised as an offset to the contributed equity account of the Company. They were issued to Martin Place Securities as part payment of share issue costs paid to the broker as part of fund raising. These are listed options.
2. Issued to Spring Tree Special Opportunities Fund LLP as part establishment cost on the facility. These are unlisted options.
3. Issued to Spring Tree Special Opportunities Fund LLP as interest payments on the facility. These are unlisted options.
4. All of the above 2010 options were valued using the Black-Scholes valuation method.

Note		Consolidated June 2011 $	June 2010 $
29	**Remuneration of Auditors**		
	PKF (Appointed 25 June 2010)		
	Audit and review of financial reports	57,693	52,306
	Non-audit services	-	-
		57,693	**52,306**
	Duncan Dovico (Resigned 2 November 2009)		
	Audit and review of financial reports	-	8,420
	Non-audit services	-	-
		-	**8,420**
	Lawler Hacketts (Resigned 25 June 2010)		
	Audit and review of financial reports	5,750	34,500
	Non-audit services	-	-
		5,750	**34,500**
	Smiths Chartered Accountants (Auditors of Anomaly Limited – PNG)		
	Audit and review of financial reports	3,189	-
	Non-audit services	-	-
		3,189	**-**

30 Subsidiaries

(a) Ultimate controlling entity

Gold Anomaly Limited is the ultimate controlling entity for the Group.

(b) Subsidiaries

Name of entity	Country of Incorporation	Class of shares	Percentage ownership 2011 %	2010 %
Gold Aura (PNG) Limited	Papua New Guinea	Ordinary	100	100
Gold Aura Kazakhstan LLP	Kazakhstan	Participating interest	80	80
Gold Aura do Brasil Mineração Ltda	Brazil	Ordinary	100	100
Anomaly Resources Limited	Australia	Ordinary	100	100
Anomaly Limited	Papua New Guinea	Ordinary	100	100

The proportion of ownership interest is equal to the proportion of voting power held.

On 19 September 2011 the Company signed an agreement to divest itself of its participating interest in Gold Aura Kazakhstan LLP. The divestment is expected to take place within 2-3 weeks of the signing of the agreement.

Note		Parent June 2011 $	Parent June 2010 $
31	**Parent Entity information**		
	Statement of Comprehensive Income		
	Loss after income tax	(3,531,410)	(5,154,220)
	Total Comprehensive Income	**(2,982,349)**	**(4,689,603)**
	Statement of Financial Position		
	Total current assets	812,481	755,684
	Total assets	36,701,025	27,472,586
	Total current liabilities	2,566,483	460,088
	Total liabilities	2,716,483	643,077
	Equity		
	Contributed equity	48,746,422	**38,609,040**
	Reserves	2,080,458	**1,531,397**
	Accumulated losses	(16,842,338)	**(13,310,928)**
	Total Equity	**33,984,542**	**26,829,509**

Guarantee

The parent company had no bank guarantees in respect of its subsidiaries as at 30 June 2011 (2010: Nil)

Contingent liabilities

The parent company had no contingent liabilities as at 30 June 2011 (2010: Nil)

Capital commitments – exploration expenditure

Commitments for minimum exploration expenditures are payable as follows:

	June 2011 $	June 2010 $
Within one year	760,750	1,167,355
Later than one year but not later than five years	208,542	798,566
Total capital commitments	**969,292**	**1,965,921**

Note		Consolidated June 2011 $	June 2010 $
32	**Reconciliation of loss for the period from continuing operations to net cash inflow/(outflow) from operating activities**		
	Loss for the period from continuing operations	**(4,937,134)**	**(1,280,119)**
	Adjustments for non-cash income and expense items:		
	Depreciation and amortisation	8,214	8,179
	Equipment purchased for forgiveness of loan	147,082	-
	Written down value of fixed asset disposals	13,030	-
	Non-cash interest transactions	616,179	8,337
	Exploration costs written off	2,673,926	-
	Repayment of loan	10,465	-
	Exercise of Options	600	-
	Payables settled by equity payments	612,393	257,377
	Change in operating assets and liabilities:		
	Decrease/(increase) in trade and other receivables	(6,461)	179,529
	(Decrease)/increase in trade creditors and accruals	(27,539)	(660,185)
	(Decrease)/increase in employee entitlements	12,843	3,785
	Net cash (outflow) from operating activities	**(876,402)**	**(1,483,097)**

33 Unincorporated Joint Ventures

The entity has an unincorporated Joint Venture agreement with Triple Plate Junction Plc in relation to the Crater Mountain licences. These Joint Ventures were held as Jointly Controlled Operations and the terms of the agreements remained unchanged during the period. The project status and interest ownership are as follows:

Exploration Licence	Project Name	Co-Venturer	Initial Interest	Interest After Phase 1	Interest After Phase 2
EL 1115	Crater Mountain	Triple Plate Junction Plc	25% on listing on the NSX	51% on completion of Phase 1	70% on completion of Phase 2
EL 1353	Crater Mountain	Triple Plate Junction Plc	25% on listing on the NSX	51% on completion of Phase 1	70% on completion of Phase 2
EL 1384	Crater Mountain	Triple Plate Junction Plc	25% on listing on the NSX	51% on completion of Phase 1	70% on completion of Phase 2

The Group obtained its 51% ownership interest in Crater Mountain Licenses on 23 November 2008 on completion of Phase 1 based on original terms of the joint venture agreement. The Group has now completed Phase 2 of the Project and has expended in excess of its $900,000 commitment to this phase. Consequently it hopes to complete the legal steps necessary to move to 70% before the end of October 2011.

In addition to the above, the Company has an unincorporated joint venture agreement with Yamana Gold Inc. ("Yamana") in relation to its Fergusson Island projects. At year end the Company's interest was 67%. Subsequent to the year end the Company bought out Yamana's 33% interest by the issue of 12 million shares and payment of CAD$25,000 to Yamana. The Company now has a 100% ownership interest in the Fergusson Island project.

34 Post Balance Date Events

Private placement

The Company successfully raised $6 million via a placement ("Capital Raising") to fund drilling at its flagship Crater Mountain gold project in Papua New Guinea ("PNG"). The Capital Raising closed heavily oversubscribed with a strong response from institutional investors in a difficult trading environment, reflecting the increasing confidence that Crater Mountain hosts a substantial gold deposit.

The Capital Raising provides funds for the continuing exploration program at Crater Mountain. The program will incorporate a number of deep holes seeking the feeder system to the higher level mixing zone mineralisation that comprises the Main Zone drilled to date.

New shares issued under the Capital Raising, issued at $0.04 per share, rank equally with existing shares on issue and settled on Monday 25 July 2011. Trading of the new shares commenced on Tuesday 26 July 2011. A total of 150 million shares were issued.

Modification to the Option Agreement with Kenai

Under GOA's original September 21st, 2010 Option Agreement ("Original Agreement") with Kenai Resources Ltd (TSX: KAI) ("Kenai") Kenai has to date advanced A$2.5m in loan funds to GOA.

GOA has executed an August 5th, 2011 agreement with Kenai, formalizing changes agreed to since the Original Agreement, and triggering the release of A$1.0m in further loan funds from Kenai to GOA for the Sao Chico project resulting in a total of A$3.5m in loan funds to GOA. The material changes to the original terms include the following:

- Kenai's option to acquire 50% of GOA's wholly owned subsidiary which holds the mineral project rights to Sao Chico is exercisable by September 3rd, 2012, or about four months later than originally provided for. A "Second Option" to acquire an additional 25% remains, for exercise by Kenai up to 24 months after the exercise by Kenai of the initial 50% option.

- Kenai has agreed to advance a further loan of A$500,000 of loan funds (from the original A$3m to A$3.5m). Should Kenai exercise the Second Option these funds will be treated as a part-payment (of a total of A$2m) towards the exercise of that Second Option. If the Second Option is not exercised, the $0.5m will remain loan funds.

- Kenai continues to provide project management advisory services for Sao Chico to GOA. Kenai will assume a direct project management role if it exercises its 50% equity option.

Fergusson Island Gold Project, PNG

The Company is currently in discussions with the PNG Mineral Resources Authority ("MRA") with respect to the grant of an extension to a feasibility study deadline and the renewal or reissuance of exploration licenses EL 1025 and EL 1070. The Company advised earlier this year that following its requests to the MRA to grant an extension to the Fergusson Island Gold Project feasibility study deadline the MRA had refused to renew EL 1070.

As a result of the above developments, the Company and its wholly owned PNG subsidiary company Gold Aura (PNG) Limited ("GOA PNG") are pleased to announce that they have finalised an agreement with Canadian company Yamana Gold Inc ("Yamana") to consolidate a 100% interest in the Fergusson Island Gold Project (the "Project"). Pursuant to an amended acquisition agreement (the "Acquisition Agreement") GOA has issued 12 million shares and paid CAD$25,000 to Yamana to acquire a 33% interest in the Project, bringing GOA's total ownership in the Project to 100%. Prior to the amendment of the Acquisition Agreement GOA was obliged to issue 18,762,545 shares as consideration for this 33% interest. Given the outstanding matters relating to EL 1070, GOA was able to reduce the share consideration required for the acquisition of the outstanding 33% interest in the Project

GOA believes the discussions with the MRA have been positive and there are good grounds to believe that the end result will be that GOA will, for the first time, have rights to 100% of the Wapolu and Gameta deposits on Fergusson Island.

The Project comprises two drilled gold deposits, Wapolu and Gameta, located 30 kilometres apart on the north coast of Fergusson Island in PNG. Since 1996, over $15M has been spent on the Project. Both properties are accessible by low cost water access due to their close proximity to the coast. Landowners are supportive of the Project and its potential commercial development.

35 Contingent Liabilities

Sao Chico property, Waldimiro Agreement

The Company's Brazilian subsidiary, GOAB, has entered into agreements with both parties who are disputing with each other over their respective rights on the Sao Chico property. The dispute is to-date unresolved. Through the agreements with each party in the dispute the Company believes that its rights are protected whichever party prevails. Accordingly, no provision has been made within these financial statements. The Company is presently actively pursuing steps to settle the dispute between the parties.

Directors' Declaration

1 the financial statements and notes set out on pages 20 to 61 are in accordance with the *Corporations Act 2001*, including:

(a) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) giving a true and fair view of the Company's and Group's financial position as at 30 June 2011 and of their performance, as represented by the results of their operations, changes in equity and cash flows, for the year ended on that date; and

2 the Executive Chairman has declared that:

(a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*; and

(b) the financial statements and notes for the financial year comply with the Accounting Standards; and

(c) the financial statements and notes for the financial year give a true and fair view;

3 in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The financial statements and notes set out on pages 20 to 61 are in accordance with International Financial Reporting Standards.

The audited remuneration disclosures set out on pages 12 to 14 of the Directors' report comply with International Financial Reporting Standards and Section 300A of the *Corporations Act 2001*.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

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

G B Starr
Executive Chairman
28 September 2011

PKF Chartered Accountants & Business Advisers

To The Members of Gold Anomaly Ltd

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Report

We have audited the accompanying financial report of Gold Anomaly Ltd, which comprises the statements of financial position as at 30 June 2011, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies, other explanatory information, and the directors' declaration of Gold Anomaly Ltd ("the company") and the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 Gold Anomaly Limited 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 2011 and of its performance for the year ended on that date; and

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

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

Significant Uncertainty Regarding Continuation as a Going Concern
We draw, attention to Note 4 in the financial report, which indicates that the consolidated entity incurred a net loss of $4,937,134 during the year ended 30 June 2011, and as of that date reflect net operating and investing cash outflows of $11,015,357.

These conditions along with other matters set forth in Note 4 indicate the existence of a material uncertainty that casts significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

Independent Audit Report

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2011. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Gold Anomaly Limited for the year ended 30 June 2011, complies with section 300A of the *Corporations Acts 2001*.

PKF

PKF

Arthur Milner **28 September 2011**
Partner Sydney

Liability limited by a scheme approved under Professional Standards Legislation

The following information is required to be disclosed under ASX Listing Rule 4:10 and is not disclosed elsewhere in this Report. This information is correct as at 5 September 2011.

Substantial Shareholders

No substantial shareholders are recorded in the Company's register of substantial shareholders.

Voting Rights

Ordinary shares – on a show of hands, are one vote for every registered holder and on a poll, are one vote for each share held by registered holders. Options holders have no voting rights.

Holders of Each Class of Equity Security

Name	Code	Number of holders
Fully paid ordinary Shares	GOA	4,126
Listed Options (exercisable at $0.03 per option on or before 30 June 2012)	GOAOA	133
Unlisted Options (exercisable at $0.04 per option on or before 1 April 2013)	GOAO8	1
Unlisted Options (exercisable at $0.0455 per option on or before 7 April 2013)	GOAO9	1
Unlisted Options (exercisable at $0.0272 per option on or before 27 May 2013)	GOAO10	1
Unlisted Options (exercisable at $0.0272 per option on or before 24 June 2013)	GOAO11	1
Unlisted Options (exercisable at $0.03 per option on or before 29 July 2013)	GOAO12	1
Unlisted Options (exercisable at $0.0251 per option on or before 30 August 2013)	GOAO13	1
Unlisted Options (exercisable at $0.046 per option on or before 22 September 2013)	GOAO14	1
Unlisted Options (exercisable at $0.0259 per option on or before 29 September 2013)	GOAO15	1
Unlisted Options (exercisable at $0.0277 per option on or before 19 October 2013)	GOAO16	1
Unlisted Options (exercisable at $0.0288 per option on or before 31 October 2013)	GOAO17	1
Unlisted Options (exercisable at $0.0284 per option on or before 1 November 2013)	GOAO18	1
Unlisted Options (exercisable at $0.0321 per option on or before 22 November 2013)	GOAO19	1
Unlisted Options (exercisable at $0.0428 per option on or before 30 November 2013)	GOAO20	1
Unlisted Options (exercisable at $0.0462 per option on or before 20 December 2013)	GOAO21	1
Unlisted Options (exercisable at $0.0444 per option on or before 20 January 2014)	GOAO22	1
Unlisted Options (exercisable at $0.0375 per option on or before 23 February 2014)	GOAO23	1
Unlisted Options (exercisable at $0.0393 per option on or before 30 March 2014)	GOAO24	1
Unlisted Options (exercisable at $0.035 per option on or before 30 June 2015) (ESOP)	GOAO25	9
Unlisted Options (exercisable at $0.045 per option on or before 30 June 2015) (ESOP)	GOAO26	12
Unlisted Options (exercisable at $0.0398 per option on or before 3 May 2014)	GOAO27	1
Unlisted Options (exercisable at $0.0507 per option on or before 2 June 2014)	GOAO28	1
Unlisted Options (exercisable at $0.0417 per option on or before 4 July 2014)	GOAO32	1
Unlisted Options (exercisable at $0.0468 per option on or before 4 August 2014)	GOAO33	1

Top 20 Holders of Ordinary Shares

Name	Number of shares	% holding
Martin Place Securities Nominees Pty Ltd	56,250,021	4.08
Mr Thomas Mark Fermanis	55,770,008	4.04
Ms Maureen Kiau	37,500,000	2.72
National Nominees Limited	36,653,071	2.66
HSBC Custody Nominees (Australia) Limited	35,875,087	2.60
JP Morgan Nominees Australia Limited	29,937,839	2.17
Martin Place Securities Nominees Pty Ltd	26,000,000	1.89
Citicorp Nominees Pty Limited	23,327,258	1.69
Mr James Sinton Spence	18,750,000	1.36
Monk Nominees Pty Ltd <Monk Super Fund A/C>	12,300,000	0.89
Sandhurst Trustees Ltd <LMA A/C>	11,776,245	0.85
Pagodatree Investments Limited	10,005,000	0.73
Mr Arthur Gilbert Smedley	8,750,000	0.63
Sofew Assets Pty Ltd <Sofew Pastoral A/C>	8,500,000	0.62
Act2 Pty Ltd	8,000,000	0.58
Mr Paul Anthony O'Neill + Mrs Kathleen O'Neill	7,500,000	0.54
Paynes Hardware Services Pty Ltd <Paynes Hardware P/L S/F A/C>	7,250,000	0.53
Ms Marian Letcher	7,083,717	0.51
Gregory Barry Starr	6,875,000	0.50
Capital Nominees Limited	6,779,443	0.49
	414,882,689	**30.08**

Top 20 Holders of Listed Options

Name	Number of options	% holding
Union Resources Limited	10,000,000	8.91
National Nominees Limited	5,000,087	4.46
Martin Place Securities Staff Superannuation Fund Pty Ltd	4,400,000	3.92
Tuxedo Investments Pty Ltd	4,000,000	3.57
Mr Philip James Whitmont + Ms Amanda Jane Gale <Est Francis F Whitmont A/C>	3,000,000	2.67
Gregory Barry Starr	2,500,000	2.23
Mrs Anh Pham	2,140,000	1.91
Mr Carmelo Previte	2,100,000	1.87
Monk Nominees Pty Ltd <Monk Super Fund A/C>	2,000,000	1.78
Mr Paul Jonathan Nuske	1,956,055	1.74
Dobco Superannuation Pty Ltd <Dobco Pension Fund A/C>	1,900,000	1.69
Empire Securities Group Pty Ltd	1,800,000	1.60
Pegasus Corporate Advisory Pty Limited <The Pegasus A/C>	1,540,000	1.37
Mr Bradley James Hoffman + Mrs Catherine Lisa Hoffman	1,473,278	1.31
Mrs Pamela Lavina Dawn Fachin	1,430,000	1.27
Mr Kenneth Graeme Chapple	1,351,808	1.21
Mr Christopher Stewart Macdonald + Mrs Kylie Jane Macdonald <Macdonald Family S/F A/C>	1,300,000	1.16
Mr William Jansen + Mrs Marilyn Gail Jansen <W & M G Jansen S/F A/C>	1,280,000	1.14
JP Morgan Nominees Australia Limited <Cash Income A/C>	1,234,568	1.10
Mr Scott James Duncan + Mrs Shelly Mary Therese	1,200,000	1.07
	51,605,796	**45.98**

Holder of Unlisted Options

Name	Code	Number of unlisted options	% holding
Mr Gregory Barry Starr	GOAO8	2,000,000	100.00
Spring Tree Special Opportunities Fund LLP	GOAO9	11,000,000	100.00
Spring Tree Special Opportunities Fund LLP	GOAO10	2,577,320	100.00
Spring Tree Special Opportunities Fund LLP	GOAO11	824,176	100.00
Spring Tree Special Opportunities Fund LLP	GOAO12	700,935	100.00
Spring Tree Special Opportunities Fund LLP	GOAO13	837,989	100.00
Spring Tree Special Opportunities Fund LLP	GOAO14	568,182	100.00
Spring Tree Special Opportunities Fund LLP	GOAO15	810,811	100.00
Spring Tree Special Opportunities Fund LLP	GOAO16	505,051	100.00
Spring Tree Special Opportunities Fund LLP	GOAO17	728,155	100.00
Spring Tree Special Opportunities Fund LLP	GOAO18	738,916	100.00
Spring Tree Special Opportunities Fund LLP	GOAO19	655,022	100.00
Spring Tree Special Opportunities Fund LLP	GOAO20	490,196	100.00
Spring Tree Special Opportunities Fund LLP	GOAO21	757,576	100.00
Spring Tree Special Opportunities Fund LLP	GOAO22	788,644	100.00
Spring Tree Special Opportunities Fund LLP	GOAO23	932,836	100.00
Employee Share Option Plan	GOAO25	14,166,666	100.00
Employee Share Option Plan	GOAO26	22,083,334	100.00
Spring Tree Special Opportunities Fund LLP	GOAO27	880,282	100.00
Spring Tree Special Opportunities Fund LLP	GOAO28	690,608	100.00
Spring Tree Special Opportunities Fund LLP	GOAO32	503,356	100.00
Spring Tree Special Opportunities Fund LLP	GOAO33	449,102	100.00

Distribution of Equity Securities

Class of Security	Security Code	1 to 1,000	1,001 to 5,000	5,001 to 10,000	10,001 to 50,000	50,001 to 100,000	100,001 and Over	Total
Fully paid ordinary Shares	GOA	415	99	196	1,081	675	1,660	**4,126**
Listed Options	GOAOA	10	19	21	82	47	154	**333**
Unlisted Options	GOA08	-	-	-	-	-	1	**1**
Unlisted Options	GOAO9	-	-	-	-	-	1	**1**
Unlisted Options	GOAO10	-	-	-	-	-	1	**1**
Unlisted Options	GOAO11	-	-	-	-	-	1	**1**
Unlisted Options	GOAO12	-	-	-	-	-	1	**1**
Unlisted Options	GOAO13	-	-	-	-	-	1	**1**
Unlisted Options	GOAO14	-	-	-	-	-	1	**1**
Unlisted Options	GOAO15	-	-	-	-	-	1	**1**
Unlisted Options	GOAO16	-	-	-	-	-	1	**1**
Unlisted Options	GOAO17	-	-	-	-	-	1	**1**
Unlisted Options	GOAO18	-	-	-	-	-	1	**1**
Unlisted Options	GOAO19	-	-	-	-	-	1	**1**
Unlisted Options	GOAO20	-	-	-	-	-	1	**1**
Unlisted Options	GOAO21	-	-	-	-	-	1	**1**
Unlisted Options	GOAO22	-	-	-	-	-	1	**1**
Unlisted Options	GOAO23	-	-	-	-	-	1	**1**
Unlisted Options	GOAO24	-	-	-	-	-	1	**1**
Unlisted Options	GOAO25	-	-	-	-	-	9	**9**
Unlisted Options	GOAO26	-	-	-	-	-	12	**12**
Unlisted Options	GOAO27	-	-	-	-	-	1	**1**
Unlisted Options	GOAO28	-	-	-	-	-	1	**1**
Unlisted Options	GOAO32	-	-	-	-	-	1	**1**
Unlisted Options	GOAO33	-	-	-	-	-	1	**1**

Number of holders holding less than a marketable parcel of shares

A marketable parcel is defined by the Market Rule Procedures of the ASX as a parcel of securities with a value of not less than $500. The number of ordinary shareholders holding less than a marketable parcel of shares is 844.

On market buy-back

There is no current on market buy-back

Drilling for Success

GOLD ANOMALY