



# **Marathon Resources Ltd**

ACN 107 531 822

## **Directors' Report & Financial Statements**

# **2005**

## CONTENTS

<b>Item</b>	<b>Page</b>
Directors' Report	3
Corporate Governance Statement	7
Directors' Declaration	9
Audit Report	10
Financial Statements	13

## CORPORATE DIRECTORY

### **Directors**

Peter Williams, Chairman  
Dr John Santich, Chief Executive Officer  
Dr Wieslaw Bogacz, Executive Director  
William Latimer, Director  
Stuart Appleyard, Director

### **Company Secretary**

Stuart Appleyard

### **Registered Office**

10 George Street  
Stepney SA 5069

### **Principal Business Office**

10 George Street  
Stepney SA 5069

### **Auditors**

Grant Thornton  
Chartered Accountants  
67 Greenhill Road  
Wayville South Australia 5066

### **Share Registrar**

Computershare Registry Services Pty Ltd  
Level 5, 115 Grenfell Street  
Adelaide, South Australia 5000

### **Contact Details**

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## **DIRECTORS' REPORT**

The directors present their report on the results of Marathon Resources Ltd for the year ended 30 June 2005 and the state of the affairs of the Company at that date.

### **DIRECTORS**

Persons who have been Directors in the Company during the financial year are Peter Leonard Williams, John Reginald Santich, Wieslaw Bogacz, William Sydney Latimer and Stuart McRae Appleyard. Directors' brief details are as follows:

#### **Peter Williams BEc FCA Chairman (non-executive)**

Peter Williams is a chartered accountant with extensive professional and commercial experience. He has broad experience as managing director and chairman of public companies. He was a partner of Deloitte for 17 years and managing director of the Lloyd Helicopter group then Enterprise Solutions Asia Pacific Limited. Since then he has acted as a non-executive director with venture capital companies (Momentum Ventures Limited and Playford Capital Pty Ltd) and is Chairman of Agrilink Holdings Pty Ltd and Hardy Milazzo. He is a member of the Company's Audit Committee.

#### **John Santich BE MEngSc PhD DipLaw MSocSc Chief Executive Officer**

Dr John Santich is an engineer and lawyer with over three decades experience in mining, geoscience and industry. He has been founder and director of a number of successful exploration and mining companies, including Burmine Ltd and Minotaur Gold Ltd (precursor of Minotaur Resources Ltd). He has also established companies in other technological areas, including bottled water (Palm Springs Ltd), machine vibration analysis (IPACS Australia Pty Ltd) and renewable energy (Solarshop Pty Ltd).

#### **Wieslaw Bogacz MSc Eng PhD Eng Executive Director**

Dr Wieslaw Bogacz is a highly qualified geologist and engineer with more than 30 year's experience in successful orebody exploration and development in Australia and worldwide. He has an established reputation in the development of advanced interpretations of structural geological controls on mineralisation and in tectonic genesis of metalliferous deposits. He is co-founder of mining and exploration companies, including Minotaur Gold Ltd (precursor of Minotaur Resources) and, more recently, Oroya Mining Ltd.

#### **William Latimer LLB Director (non-executive)**

William (Bill) Latimer is a dispute resolution and litigation specialist with Lynch Meyer, Lawyers. During the 1990's he spent several years in Malaysia as an executive director of Clisby Industries Ltd in joint venture with the HICOM Berhad Group Malaysia. In recent years he has concentrated more effort in his role as a consultant with Lynch Meyer, specialising in litigation and in the creation of a resources division within the firm. Since 2002 he has also been a director of Bonanza Gold Pty Ltd, which Marathon has acquired. He is the Chairman of the Company's Audit Committee.

#### **Stuart Appleyard LLB Director (non-executive and secretary)**

Stuart Appleyard is a practising lawyer with extensive experience in corporate, commercial and property law. A partner at Lynch Meyer, Lawyers, he has a particular focus on complex commercial agreements, joint ventures, property advising and development, and due diligence associated with those areas. He has advised on mining, resource and native title issues in both South Australia and the Northern Territory. Since 2002 he has also been a director of Bonanza Gold Pty Ltd, which Marathon has acquired. He is a member of the Company's Audit Committee.

## **CORPORATE GOVERNANCE**

The Board of Marathon Resources Limited is committed to achieving and demonstrating the highest standards of corporate governance and has adopted practices and policies in accordance with the ASX Corporate Governance Best Practice Recommendations. The Corporate Governance Statement forms a separate part of the Financial Report.

## **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

The company was admitted to the Official List of the Australian Stock Exchange on 15 March 2005 and following the successful completion of an initial public offering by way of a prospectus raising \$4.64 million by the allotment of and issue of 23.2 million shares. Official quotation of 29,067,895 securities commenced on 17 March 2005.

Other than as referred to in the financial statements or notes thereto, there has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future years

## **SUBSEQUENT EVENTS**

Subsequent to year end, the company announced on 2 August 2005 to the ASX that the Paralana Ore System contained large indicated or inferred resources. EL 3258 is a 100% owned uranium – REE – polymetallic project located in the North Flinders ranges, South Australia. A further release on 12 August 2005 clarified the tonnages and grades of the indicated or inferred resource. The company will continue its planned exploration program and report its findings on a regular basis.

## **PRINCIPAL ACTIVITIES**

The principal activity of the consolidated entity during the year was mineral exploration and there were no significant changes in activities during the year.

## **OPERATING RESULTS**

The consolidated operating loss of the Company for the financial year to 30 June 2005 after applicable income taxes was \$417,044.

## **DIVIDENDS**

The directors do not recommend the payment of a dividend and no amount has been paid or declared since the end of the previous financial year.

## **LIKELY DEVELOPMENTS**

The Company is a mineral explorer and, potentially, a miner of uranium, gold and other metals in future years. The results of these operations cannot be predicted at this time. The Company may or may not require further capital to sustain these activities.

## **ENVIRONMENTAL ISSUES**

The Company's operations are subject to environmental regulation. The Company is satisfied that no breaches of environmental regulation have occurred. No notification of any breach of any environmental regulation has been received from any relevant agency in Australia or New Zealand.

## **OPTIONS**

During the year under review, 500,000 options, to subscribe for shares in the company, were issued as detailed in Note 5 of the Financial Report.

All options expire on 30 June 2009, are exercisable at 20 cents and will be unlisted. Each option entitles the holder to one fully paid share in the Company. None of the options entitles the holders to participate, by virtue of the options, in any dividend or share issue of any other corporation.

#### AUDITORS INDEPENDENCE

The auditor has not been engaged during the year for any non-audit services which may have impaired independence. The auditors independence declaration for the year ended 30 June 2005 has been received and is included in this report.

#### DIRECTORS' AND EXECUTIVES' REMUNERATION

The Board, where appropriate, seeks independent advice on remuneration policies and practices for directors and executives, and packages are benchmarked against comparable industry levels.

The company has determined that fees for non-Executive Directors be set in aggregate at \$85,000 per annum, accruing on a weekly basis.

The two executive Directors have entered into service agreements for a period of 3 years commencing on 15 March 2005. The terms of these agreements provide for total salary packages including a base salary of \$130,000 per annum.

	Directors fees	Salary and wages	Super contributions	Total
P.L. Williams	25,000	-	2,500	27,250
J. Santich	10,000	48,441	4,359	52,800
W. Bogacz	10,000	48,441	4,359	52,800
W.S. Latimer	20,000	-	1,800	21,800
S. M. Appleyard	20,000	-	1,800	21,800

There have been no options issued during the year to directors. The disclosures in Directors' Interest relate to options issued in the prior year.

There are no termination or retirement benefits for non-Executive Directors (other than statutory superannuation)

#### DIRECTORS' AND OFFICERS INTERESTS IN SHARES AND OPTIONS

	<i>Ordinary Shares</i>		<i>Options</i>	
	direct	indirect	direct	indirect
Peter Williams	-	80,000	-	1,000,000
John Santich	-	2,180,000	-	500,000
Wieslaw Bogacz	-	2,180,000	-	500,000
William Latimer	-	987,500	-	1,675,000
Stuart Appleyard	-	910,000	-	1,640,000

#### MEETINGS OF DIRECTORS

During the financial year, the number of Board meetings held at which a director was eligible to attend and the number actually attended by each director were:

	<i>Appointed</i>	<i>Meetings Held</i>	<i>Meetings Attended</i>
Peter Williams	21 May 2004	10	10
John Santich	28 January 2004	10	10
Wieslaw Bogacz	28 January 2004	10	8
William Latimer	28 January 2004	10	9
Stuart Appleyard	28 January 2004	10	9

**INDEMNITIES INSURANCE**

Arrangements for directors and officers insurance had not been finalised at year end and no insurance premiums have been paid during the year.

**PROCEEDINGS**

The company has not been a party to any legal proceedings during the year. Directors are not aware of any proceeding initiated during the year or contemplated against or on behalf of the company.



John Santich  
Director



Peter L Williams  
Director

Dated this 30<sup>th</sup> day of September 2005

## CORPORATE GOVERNANCE STATEMENT

The Board of Marathon Resources Ltd is committed to achieving and demonstrating the highest standards of Corporate Governance. The Board is responsible to the shareholders for the performance of the Company and is focused on:

- enhancing the interests of shareholders and other key stakeholders;
- ensuring the Company is properly managed.

The Board believes that sound Corporate Governance practices will assist in the creation of shareholder wealth and provide accountability and control systems commensurate with the risks involved.

This Statement outlines the main corporate governance practices in place during the financial year, noting where practices depart from the ASX Corporate Governance Council Recommendations and the Board's reasons for an alternate approach. The Company has complied with the majority of the Ten Essential Corporate Governance Principles and the corresponding Best Practice Recommendations as detailed below.

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (Best Practice Recommendations). Although the Best Practice Recommendations are not mandatory, the Company is required to provide a statement in its annual reports disclosing the extent to which the Company has followed the Best Practice Recommendations.

### The Corporate Governance Plan

#### 1. Lay solid foundations for management and oversight

The Company's Corporate Governance Plan includes a Board Charter, which discloses the specific responsibilities of the Board and provides that the Board shall delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer.

#### 2. Structure the board to add value

More than half of the current Board are independent directors.

The chairperson (Mr Peter Williams) is an independent director

The roles of chairperson (Mr Peter Williams) and chief executive officer (Dr John Santich) are exercised by different people.

The Board is of the opinion that it is not of a sufficient size to warrant the establishment of a nomination committee at this time.

The Company will provide details of each director, such as their skills, experience and expertise relevant to their position, together with an explanation of any departures from best practice, in its future annual reports.

#### 3. Promote ethical and responsible decision making

The Company's Corporate Governance Plan includes a corporate code of conduct which provides a framework for decisions and actions in relation to ethical conduct in employment.

The Company's Corporate Governance Plan includes guidelines for buying and selling securities in the Company.

#### 4. Safeguard integrity in financial reporting

The Board will require the Chief Executive Officer and, upon appointment, the Chief Financial Officer (or equivalent) to make a statement (at the relevant times) that the Company's financial systems are founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the board and the company's risk management and internal compliance and control system is operating efficiently and effectively in all material respect.

The Company does not currently have a Chief Financial Officer.

The Board has established an audit committee, the Chairman of which is Mr William Latimer, who is not the chairman of the board. The audit committee currently has 3 members.

The Corporate Governance Plan requires a formal charter for the audit committee. The Company will provide details of the members of the audit committee, the number of meetings of the audit committee and the names of the attendees, in its annual reports.

**5. Make timely and balanced disclosure**

The Company's Corporate Governance Plan requires a continuous disclosure policy.

**6. Respect the rights of shareholders**

The Company's Corporate Governance Plan includes a shareholder communications strategy which aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

The Board will request the external auditor to attend all future annual general meetings of the Company, to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

**7. Recognise and manage risk**

The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Board has delegated to the audit committee responsibility for implementing the risk management system

**8. Encourage enhanced performance**

The Board has not developed a formal process for performance evaluation at this time.

**9. Remunerate fairly and responsibly**

The Board is of the opinion that it is not of a sufficient size to warrant the establishment of a remuneration committee at this time. The Company has not developed a formal remuneration policy at this time.

Non-executive Directors each receive annual fees of \$20,000 plus 9% superannuation for fulfilling their duties as Directors of the Company, with the exception of the Chairman who receives an annual fee of \$25,000 plus 9% superannuation.

The Company's Constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration has been set at an amount of \$85,000 per annum.

The Board is responsible for determining the remuneration of the Chief Executive Officer and senior executives.

The Company has no plans in relation to payment of equity based executive remuneration at this time.

**10. Recognise the legitimate interests**

The Company seeks to be a good corporate citizen and protect and preserve all stakeholders' interests we are currently in the process of establishing a formal Code of Conduct, which will establish principles by which both Directors and employees can appropriately balance, protect and preserve all stakeholders' interests.

The Company is committed to a policy of environmental management and monitoring of environmental compliance.

Exploration activities require consultation with various claimants including communities affected by Native Title, landowners and authorities. The company aspires to be a good corporate citizen through consultation and involvement of those parties.

## DIRECTORS' DECLARATION

The Directors declare that:

1. The financial statements and notes set out in this Annual Report are in accordance with the requirements of the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards and other mandatory professional reporting requirements; and
  - (b) give a true and fair view of the Company's financial position as at 30 June 2005 and of its performance, as represented by the results of its operations and its cash flows, for the financial year ended on that date.
2. The Chief Executive Officer 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;
  - (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.

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



John Santich  
Director



Peter L Williams  
Director

Dated at Adelaide, South Australia this 30<sup>th</sup> day of September 2005

**AUDITOR'S INDEPENDENCE DECLARATION**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Marathon Resources Ltd for the year ended 30 June 2005, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Regulations 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

**GRANT THORNTON**  
CHARTERED ACCOUNTANTS



**P S PATERSON**  
Partner

Dated this 30th day of September 2005

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**INDEPENDENT AUDIT REPORT  
TO MEMBERS OF MARATHON RESOURCES LTD AND CONTROLLED ENTITIES****Scope****The financial report and directors' responsibility**

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration of Marathon Resources Ltd and Controlled Entities (the consolidated entity), for the year ended 30 June 2005. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

**Audit approach**

We conducted an independent audit in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing and Assurance Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgment, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report; and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

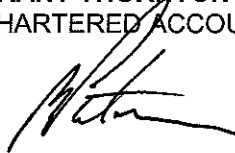
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**Audit opinion**

In our opinion, the financial report of Marathon Resources Ltd and Controlled Entities is in accordance with:

- (a) the Corporations Act 2001, including:
  - i) giving a true and fair view of Marathon Resources Ltd and the consolidated entity's financial position as at 30 June 2005, and of its performance for the year ended on that date; and
  - ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory financial reporting requirements in Australia.

**GRANT THORNTON**  
CHARTERED ACCOUNTANTS



**P S PATERSON**  
Partner

Signed at Adelaide this 30<sup>th</sup> day of September 2005

**MARATHON RESOURCES LTD**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2005**

	Notes	Consolidated Entity 2005	Parent Entity 2005	2004 (5 months)
Revenue	2	84,818	84,818	-
Depreciation		(4,662)	(4,662)	
Exploration expenditure		(60,916)	(60,916)	-
Employee Expenses		(298,923)	(298,923)	
Occupancy Expenses		(27,944)	(27,944)	-
Other expenses from ordinary activities		<u>(109,417)</u>	<u>(107,406)</u>	<u>(71,672)</u>
<b>Profit (Loss) from ordinary activities before income tax expense</b>		<b><u>(417,044)</u></b>	<b><u>(415,033)</u></b>	<b><u>(71,672)</u></b>
<b>Income Tax</b>		-	-	-
<b>Profit (Loss) from ordinary activities after income tax expense</b>		<b><u>(417,044)</u></b>	<b><u>(415,033)</u></b>	<b><u>(71,672)</u></b>
<b>Net Profit (Loss) attributable to the members of Marathon Resources Ltd</b>		<b><u>(417,044)</u></b>	<b><u>(415,033)</u></b>	<b><u>(71,672)</u></b>
<b>Earnings per share</b>				
Basic (cents per share)	20	<b>(0.010)</b>		<b>(0.014)</b>

*The accompanying notes form part of these financial statements*

**MARATHON RESOURCES LTD**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2005**

	Notes	Consolidated Entity 2005	Parent Entity 2005	2004
<b>CURRENT ASSETS</b>				
Cash at Bank		3,828,513	3,818,340	18,797
Receivables		6,959	925	2,440
Other Financial Assets	19		124,819	-
<b>Total Current Assets</b>		<b><u>3,835,472</u></b>	<b><u>3,944,084</u></b>	<b><u>21,237</u></b>
<b>NON-CURRENT ASSETS</b>				
Other Financial Assets	12(b)	-	230,000	-
Property, Plant & Equipment	4	121,543	121,543	2,736
Exploration & Evaluation costs	5	406,654	70,053	23,650
<b>Total Non-Current Assets</b>		<b><u>528,197</u></b>	<b><u>421,596</u></b>	<b><u>26,386</u></b>
<b>TOTAL ASSETS</b>		<b><u>4,363,669</u></b>	<b><u>4,365,680</u></b>	<b><u>47,623</u></b>
<b>CURRENT LIABILITIES</b>				
Payables		152,607	152,607	44,295
Provisions	18	25,951	25,951	-
<b>Total Current Liabilities</b>		<b><u>178,558</u></b>	<b><u>178,558</u></b>	<b><u>44,295</u></b>
<b>NET ASSETS</b>		<b><u>4,185,111</u></b>	<b><u>4,187,122</u></b>	<b><u>3,328</u></b>
<b>EQUITY</b>				
Contributed Equity	6	4,673,827	4,673,827	75,000
Accumulated Losses	7	<u>(488,716)</u>	<u>(486,705)</u>	<u>(71,672)</u>
<b>TOTAL EQUITY</b>		<b><u>4,185,111</u></b>	<b><u>4,187,122</u></b>	<b><u>3,328</u></b>

*The accompanying notes form part of these financial statements*

**MARATHON RESOURCES LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR**  
**ENDED 30 JUNE 2005**

	Notes	Consolidated Entity 2005	Parent Entity 2005	Parent Entity 2004
<b>Cash flows from operating activities</b>				
Interest Received		84,818	84,818	
Payments to suppliers		(364,086)	(359,412)	(24)
<b>Net cash provided by (used in) operating activities</b>	12(c)	<b>(279,268)</b>	<b>(274,594)</b>	<b>(24)</b>
<b>Cash flows from investing activities</b>				
Purchase of plant & equipment	4	(123,469)	(123,469)	(2,736)
Payment for exploration activities	5	(147,256)	(26,403)	(3,443)
Amount advanced to related party		-	(124,819)	-
Cash acquired on purchase of subsidiary	12(b)	10,881	-	-
<b>Net cash provided by (used in) investing activities</b>		<b>(259,844)</b>	<b>(274,691)</b>	<b>(6,179)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of shares	6	4,917,079	4,917,079	25,000
Payment of expenses of the issue of shares	6	(568,252)	(568,252)	-
<b>Net cash provided by (used in) financing activities</b>		<b>4,348,827</b>	<b>4,348,827</b>	<b>25,000</b>
Net increase in cash held		3,809,715	3,779,542	18,797
<b>Cash at 30 June 2004</b>		<b>18,797</b>	<b>18,797</b>	<b>18,797</b>
<b>Cash at 30 June 2005</b>	12(a)	<b>3,828,512</b>	<b>3,818,339</b>	<b>-</b>

*The accompanying notes form part of these financial statements*

## NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

### Financial Reporting Framework

The financial statements are a general purpose financial report which has been prepared in accordance with applicable Accounting Standards, UIG Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements have also been prepared on an accruals basis and are except where indicated, based on historical costs and do not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

### Significant Accounting policies

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report.

(a) *Principles of Consolidation*

The consolidated financial statements are prepared by combining the financial statements of Marathon Resources Limited and its controlled entity referred in this financial report. Consistent accounting principles are employed in the preparation and presentation of the consolidated financial statements.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated entity are eliminated in full.

(b) *Accounts payable*

Trade payables and other accounts payable are recognised when the consolidated entity becomes obliged to make future payments resulting from the purchase of goods and services.

(c) *Acquisition of assets*

Assets acquired are recorded at the cost of acquisition, being the purchase consideration determined as at the date of acquisition plus costs incidental to the acquisition.

In the event that settlement of all or part of the cash consideration given in the acquisition of an asset is deferred, the fair value of the purchase consideration is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

(d) *Date of incorporation*

The company was incorporated on 28 January 2004. The company acquired a wholly owned subsidiary, Bonanza Gold Pty Ltd on 9 July 2004.

**NOTE 1 – SUMMARY OF ACCOUNTING POLICIES cont'd***(e) Exploration, evaluation and development expenditure*

Exploration, evaluation and development expenditures in relation to separate areas of interest are brought to account in the period in which they are incurred and are carried at cost.

The cost of acquisition of an area of interest and exploration expenditure relating to that area of interest is carried forward as an asset in the Statement of Financial Position where:

- (i) it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest or by its sale; or
- (ii) exploration activities are continuing in an area of interest and activities have not yet reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves.

Where a decision is made to proceed with development, accumulated expenditure will be amortised over the life of the reserves associated with the area of interest.

*(f) Goods and Services Tax*

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (iii) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (iv) for receivables and payables which are recognised inclusive of GST.

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

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

*(g) Income Tax*

Tax effect accounting principles are adopted whereby income tax expense is calculated on pre-tax accounting results after adjustment for permanent differences. The tax effect of timing differences, which occur when items are included or allowed for income tax purposes in a period different to that for accounting, is shown at current taxation rates in the deferred tax assets and deferred tax liabilities, as applicable. Deferred tax assets are only brought to account when their recovery is virtually certain.

The consolidated entity is able to consolidate and be treated as a single entity for income tax purposes. The implementation of the tax consolidation system has not yet been formally notified to the Australian Taxation Office. The head entity is Marathon Resources Limited and each entity in the group has agreed to pay a tax equivalent payment to or from the head entity based on the net accounting profit or loss of the entity and the current tax rate.

*(h) Investments*

Investments in controlled entities are recorded at cost. Dividend revenue is recognised on an accruals basis.

**NOTE 1 – SUMMARY OF ACCOUNTING POLICIES cont'd***(i) Joint ventures*

Interests in joint venture operations are reported in the financial statements by including the consolidated entity's share of assets employed in the joint ventures, the share of liabilities incurred in relation to joint ventures and the share of any expenses incurred in relation to joint ventures in their respective classification categories.

*(j) Receivables*

Trade receivables and other receivables are recorded at amounts due less any allowance for doubtful debts.

*(k) Recoverable amount of non-current assets*

Non-current assets are written down to recoverable amount where the carrying value of any non-current asset exceeds recoverable amount. In determining the recoverable amount of non-current assets, the expected net cash flows have been discounted to their present value.

*(l) Revenue Recognition***Disposal of Assets**

Revenue from the disposal of assets is recognised when the Company has passed control of the assets to the buyer.

**Interest**

Interest revenue is recognised on an accrual basis.

*(m) Depreciation*

Depreciation is provided on property, plant and equipment, commencing from the time the asset is held ready for use. Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. An estimated useful life of 5-15 years is used in the calculation of depreciation on plant and equipment.

*(n) Consolidated Comparative Figures*

The company acquired a wholly owned subsidiary Bonanza Gold Pty Ltd on 9 July 2004. There are no consolidated comparative figures.

*(o) Employee Benefits*

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

*(p) Cash*

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

**NOTE 2 – REVENUE FROM OPERATIONS AND OPERATING ACTIVITIES**

	Consolidated		Parent
	2005	2005	2004
	\$	\$	\$
Operating Profit was determined after:			
Revenue from ordinary activities			
Interest	84,818	84,818	-
Expenses			
Depreciation	4,662	4,662	-
Exploration and evaluation expenses written off	-	-	-

**NOTE 3 – INCOME TAX EXPENSE**

	Consolidated		Parent
	2005	2005	2004
	\$	\$	\$
(i) Prima Facie income tax expense on pre-tax accounting loss reconciles to income tax expense in the Statement of Financial Performance as follows:			
Income tax benefit calculated at 30%	125,113	124,510	21,502
Tax effect of permanent difference - expenses paid via share issue	34,095	34,095	-
Timing differences and tax losses not brought to account as future income tax benefits	(91,018)	(90,415)	-
Income tax expense relating to ordinary activities	-	-	-
(ii) Net future income tax benefits (FITB) not brought to account as assets:			
Tax losses – revenue	91,018	90,415	-
Timing differences	129,782	28,801	7,095
Total FITB not brought to account	220,800	119,216	7,095

The taxation benefits of tax losses and timing differences not brought to account will only be obtained if:

- (a) assessable income is derived of a nature and of amount sufficient to enable the benefit from the deductions to be realised
- (b) conditions for deductibility imposed by the law are complied with, and
- (c) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

**NOTE 4 – PROPERTY, PLANT AND EQUIPMENT**

	<b>Consolidated</b>	<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Plant and equipment, office equipment and vehicles	126,205	126,205	2,736
Less Accumulated Depreciation	4,662	4,662	-
<b>Total Plant and Equipment</b>	<b>121,543</b>	<b>121,543</b>	<b>2,736</b>
<b>Movement</b>			
Balance at 1 July 2004	2,736	2,736	-
Additions	123,469	123,469	2,736
Disposals	-	-	-
Depreciation	(4,662)	(4,662)	-
<b>Carrying amount at year end</b>	<b>121,543</b>	<b>121,543</b>	<b>2,736</b>

**NOTE 5 – EXPLORATION AND EVALUATION COSTS**

	<b>Consolidated</b>	<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Exploration and Evaluation Costs	406,654	70,053	23,650
Less Accumulated Amortisation	-	-	-
<b>Total Exploration and Evaluation Costs</b>	<b>406,654</b>	<b>70,053</b>	<b>23,650</b>
<b>Movement</b>			
Balance at 1 July 2004	23,650	23,650	-
Exploration and evaluation			
Additions	172,496	46,403	23,650
Exploration and evaluation costs recognised on acquisition of subsidiary	210,508	-	-
<b>Closing balance</b>	<b>406,654</b>	<b>70,053</b>	<b>23,650</b>

The ultimate recoupment of costs carried forward is dependant upon the successful development and/or commercial exploitation or alternatively, sale of respective area of interest. For details of the Company's interests in Joint Ventures, refer to Note 8.

**NOTE 6 – CONTRIBUTED EQUITY****Share capital**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Fully paid ordinary shares	4,673,827	4,673,827	75,000	

Fully paid ordinary shares entitle the holders to participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. On a show of hands every holder of fully paid 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.

**Movements in ordinary share capital**

	<b>Number</b>	<b>\$</b>
1 July 2004	5,250,000	75,000
Issued at 1 cent (July 2004)	2,000,000	20,000
Issued at 5 cents (July 2004)	4,600,000	230,000
Issued at 10 cents (July 2004)	2,500,000	250,000
Issued at 10 cents (August 2004)	250,000	25,000
Issued at 20 cents (March 2005)	23,210,295	4,642,079
		5,242,079
Less share issue and capital raising expenses to 30 June 2005		(568,252)
Balance at 30 June 2005	37,810,295	4,673,827

**Options**

Options granted prior to 30 June 2004 on 5,000,000 shares expire on 30 June 2009, have an exercise price of 20 cents and are exercisable at any time from grant date to expiry date. 500,000 options were granted during the year, on the same terms as above, as part consideration for the acquisition of the issued capital of Bonanza Gold Pty Ltd.

No options have been exercised during the year ended 30 June 2005

**NOTE 7 – ACCUMULATED LOSSES**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Opening balance	(71,672)	(71,672)	-	
Net loss	(417,044)	(415,033)	(71,672)	
Accumulated losses at the end of the period	(488,716)	(486,705)	(71,672)	

**NOTE 8 – JOINT VENTURE OPERATIONS**

The Company has interests in unincorporated joint venture operations at the date of this report as follows:

<b>Name of entity</b>	<b>Principal activity</b>	<b>Joint Venture Partner</b>	<b>30 June 2005</b>	<b>30 June 2004</b>
Woorong Creek*	Mineral exploration	Minotaur Exploration Ltd	51%	51%
Mabel Creek*	Mineral exploration	Minotaur Exploration Ltd	51%	51%
Pinda Springs	Mineral exploration	Modern Exploration Pty Ltd	100%	90%
Coondambo	Mineral exploration	Platsearch NL	50%	50%

\* The interests in unincorporated joint venture operations with Woorong Creek and Mabel Creek are subject to the Company spending a total of \$1 million on exploration of the tenements.

The company's interest in assets and liabilities employed in the above joint venture operations is detailed below. The amounts are included in the financial statements and consolidated financial statements under their respective asset categories:

	<b>Consolidated</b>	<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Non-current assets:			
Balance of exploration development costs at beginning of financial year	23,650	23,650	0
Exploration development costs incurred	383,004	46,403	23,650
Balance of exploration development costs at end of financial year	406,654	70,053	23,650

**NOTE 9 – COMMITMENTS FOR EXPENDITURE AND CONTINGENT LIABILITIES****Exploration Expenditure Commitments**

The Company has certain statutory obligations to perform exploration work and expend minimum amounts of money on such works on mineral exploration tenements.

The terms of the current and future joint ventures, grant of new licences and changes to existing licences will impact on the Company's expenditure commitments.

Total annual expenditure commitments at balance date in respect of minimum expenditure requirements not provided for in the financial statements are approximately:

	<b>30 June 2005</b>
Not longer than 1 year	828,000
Longer than 1 year and not longer than 5 years	81,000
Longer than 5 years	-

These are maximum commitments that will vary depending on future decisions on tenement management.

**NOTE 10 – SEGMENT INFORMATION**

The consolidated entity operates in the mining and exploration industry in Australia.

**NOTE 11 – FINANCIAL INSTRUMENTS**

**Forward Foreign Currency Contracts**

As at 30 June 2005 the company does not have any outstanding forward foreign currency contracts.

**(a) Forward Interest Rate Contracts**

As at 30 June 2005 the company does not have any outstanding forward interest rate contracts.

**(b) Interest Rate Risk**

Financial assets

The company has term deposits of \$3,800,000 as at 30 June 2005 which are deposited for less than one year at an average weighted interest rate of 5.59%.

The company's overdraft is subject to an interest rate of 9.85%.

**(c) Credit Risk**

The company does not have any significant exposure to credit risk.

**(d) Net Fair Value**

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1.

**NOTE 12 – NOTES TO THE STATEMENT OF CASH FLOWS**

	<b>Consolidated</b>	<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>(a) Reconciliation of cash</b>			
For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:			
Cash	3,860,733	3,850,560	18,797
Overdraft - Interest Bearing	(32,220)	(32,220)	-
	<u>3,828,513</u>	<u>3,818,340</u>	<u>18,797</u>

**(b) Non Cash Investing Activities**

On the 9<sup>th</sup> July 2004 all the issued capital of Bonanza Gold Pty Ltd was acquired. The Fair Value of assets acquired was:

Exploration and evaluation costs	215,748
Cash	10,881
Receivables	<u>3,371</u>
Total	<u>230,000</u>

Consideration for the acquisition was the issue by the company of 4,600,000 fully paid ordinary shares and 500,000 options, to the beneficial owners of the Bonanza Gold Pty Ltd shares and options.

**Net cash flow on acquisition**

Cash balances acquired	10,881	-	-
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**(c) Reconciliation of loss from operating activities after related income tax to net cash flows from operating activities**

Loss from ordinary activities after income tax	417,044	415,033	71,672
Depreciation	4,662	4,662	-
Non-cash operating expenses	-	-	(50,000)
Increase/ (Decrease) in receivables	(1,515)	(1,515)	2,440
(Increase)/ Decrease in payables	(131,599)	(134,262)	(24,088)
<b>Net Cash provided by (used in) operating activities</b>	<b>(279,268)</b>	<b>(274,594)</b>	<b>24</b>

**NOTE 13 –RELATED PARTIES**

The directors of Marathon Resources Ltd during the year ended 30 June 2005, were:

Peter Williams	Chairman (non-executive)	appointed 21/5/2004
John Santich	Chief Executive Officer	appointed 28/1/2004
Wieslaw Bogacz	Executive Director	appointed 28/1/2004
William Latimer	(non-executive)	appointed 28/1/2004
Stuart Appleyard	(non-executive)	appointed 28/1/2004

**DIRECTORS' REMUNERATION**

	Directors fees	Salary and wages	Super contributions	Total
P.L. Williams	25,000	-	2,500	27,250
J. Santich	10,000	48,441	4,359	52,800
W. Bogacz	10,000	48,441	4,359	52,800
W.S. Latimer	20,000	-	1,800	21,800
S. M Appleyard	20,000	-	1,800	21,800

No directors' fees were paid in the year ended 30 June 2004.

**RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those to other parties, unless otherwise stated. The company has paid Cluan Capital Management Pty Ltd \$8250, and this company is associated with Mr P.L. Williams, the Chairman of Marathon Resources Limited. The company's lawyers are Lynch Meyer of which firm Mr S M.Appleyard is a partner and Mr W.S Latimer is a consultant. Lynch Meyer received payments for professional services during the year of \$20,355.

The two Executive Directors, Dr J.R. Santich and Dr W .Bogacz, are directors of Archon Pty Ltd and Archon Technologies Pty Ltd respectively. Both companies were engaged to provide consulting services to Marathon Resources Limited and were each paid \$105,600 during the year. These services related to professional and consulting costs and were contingent upon the successful listing of the company on the ASX. From 15 March 2005, the executive Directors were employed on contracts of service as disclosed below.

**DIRECTORS' AND OFFICERS INTERESTS IN SHARES AND OPTIONS**

	Ordinary Shares		Options	
	direct	indirect	direct	indirect
Peter Williams	-	80,000	-	1,000,000
John Santich	-	2,180,000	-	500,000
Wieslaw Bogacz	-	2,180,000	-	500,000
William Latimer	-	987,500	-	1,675,000
Stuart Appleyard	-	910,000	-	1,640,000

## CONTRACTS OF SERVICE

The two Executive Directors, Dr J.R. Santich and Dr W .Bogacz, have entered into service agreements whereby they will be employed by the company for a period of 3 years commencing on 15 March 2005. The terms of these agreements provide for total salary packages including a base salary of \$130,000 per annum.

## NOTE 14 – EXECUTIVE SHARE OPTION PLAN

The Company has established an Employees Share Option Plan ('the Plan') to assist in the attraction, retention and motivation of employees or officers of the Company. All employees (full and part-time) and consultants will be eligible to participate in the Plan after a qualifying period of 6 months' employment (or, in the case of a consultant, having provided consulting services on a continuous basis for at least 6 months). The allocation of options to each employee, officer or consultant is in the discretion of the Board. Each option is to subscribe for one fully paid ordinary share in the Company and will expire 5 years from its date of issue. An option is exercisable at any time from its date of issue. The total number of shares the subject of options issued under the plan, when aggregated with issues during the previous five years pursuant to the plan, must not exceed 10% of the Company's issued share capital. No options have been granted under this plan as at the date of this report.

## NOTE 15 – ADDITIONAL COMPANY INFORMATION

Marathon Resources Ltd is a public company incorporated and operating in Australia. The registered office and principal place of business is 10 George Street, Stepney South Australia 5069.

## NOTE 16 – AUDITOR'S REMUNERATION

	<b>Consolidated</b>	<b>Parent</b>	
	<b>2005</b>	<b>2005</b>	<b>2004</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Amounts received or due & receivable by the Auditor of the company for:			
- auditing the Financial Statements	10,000	10,000	3,850
- other services			

## NOTE 17 – MATTERS SUBSEQUENT TO THE END OF THE YEAR

There is no matter or circumstance that has arisen since 30 June 2005 that has significantly affected, or may significantly affect :

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

**NOTE 18 – CURRENT PROVISIONS**

	<b>Consolidated 2005</b>	<b>Parent 2005</b>	<b>2004</b>
Employee Entitlements	25,951	25,951	-
Number of Employees	6	6	-

**NOTE 19 – INVESTMENT IN CONTROLLED ENTITY**

	<b>Country of incorporation</b>	<b>Class of share</b>	<b>Interest Held</b>		<b>Cost of Investment</b>	
			<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
Bonanza Gold Pty Ltd	Australia	Ordinary	100%	-	\$230,000	-

All the issued capital in Bonanza Gold Pty Ltd was acquired on 9 July 2004. The subsidiary owns various tenements and the operating results have been included in the consolidated Statement of Financial Performance since acquisition.

The parent entity provides financial support to the subsidiary to ensure it can pay its debts as and when they fall due and payable. As at 30 June 2005 the loan account from Marathon Resources Ltd to Bonanza Gold Pty Ltd was \$124,819.

**NOTE 20 - EARNINGS PER SHARE**

	<b>2005 \$</b>	<b>2004 \$</b>
Basic earnings per share	(0.010)	(0.014)
Weighted average number of ordinary shares outstanding	39,810,295	5,250,000
Diluted earnings per share	(0.010)	(0.014)
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted earnings per share	39,810,295	5,250,000
Earnings/(loss) used in calculating basic and diluted earnings/(loss) per share	(417,044)	(71,672)

The company has 5,500,000 options on issue which are not dilutive.

**NOTE 21 IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS**

Marathon Resource Ltd is preparing and managing the transition to Australian Equivalents to International Financial Reporting Standards (AIFRS) effective for the financial years commencing from 1 January 2005. The adoption of AIFRS will be reflected in the consolidated and parent entity's financial statements for the year ending 30 June 2006. On first time adoption of AIFRS, comparatives for the financial year ended 30 June 2005 are required to be restated.

The consolidated entity's management, with the assistance of external consultants, has assessed the significance of the expected changes and is preparing for their implementation. The impact of the alternative treatments and elections under AASB 1: First Time Adoption of Australian Equivalents to International Financial Reporting Standards has been considered where applicable.

The directors are of the opinion that there are no material differences in the consolidated entity's accounting policies on conversion to AIFRS. Users of the financial statements should note, however, that this could change if there are any amendments by standard-setters to the current AIFRS, or interpretation of the AIFRS requirements changes from the continuing work of the consolidated entity's management.

Set out below are the key areas where accounting policies are expected to change on adoption of AIFRS and our best estimate of the quantitative impact of the changes on total equity as at the date of transition and 30 June 2005 and on net profit for the year ended 30 June 2005.

### **Exploration and Evaluation**

AASB 6 was issued in December 2004 to facilitate the introduction of Australian equivalents to IFRS in respect of the treatment of exploration and evaluation expenditure. There is still no comprehensive international standard covering the extractive industries and AASB 6 provides no real guidance other than allowing entities to “grandfather” previous accounting policies adopted for the extractive industries. The new AASB 6 retains the Area of Interest approach as contained in AASB 1022. The board has elected to adopt the key policies keeping strictly in line with AASB 6, and in the transition to AASB 6 during the Financial Year, the consolidated entity has completed Impairment Testing on all of its Exploration and Evaluation Expenditure previously capitalised which has not resulted in any write-down.

### **Recoverable Amount of Non-Current Assets**

The consolidated entity's existing approach to impairment is consistent with the requirements of AASB 136. As a result the introduction of this standard will have no impact on the consolidated entity's financial statements.

### **Impairment of Assets**

Under AASB 136: Impairment of Assets, the recoverable amount of an asset is determined as the higher of the fair value less costs to sell, and value in use. In determining value in use, projected future cash flows are discounted using a risk adjusted pre-tax discount rate and impairment is assessed for the individual asset or the 'cash generating unit' level. A 'cash generating unit' is determined as the smallest group of assets that generate cash flows that are largely independent of the cash inflows from other assets or groups of assets. The current policy is to determine the recoverable amount of an asset on the basis of undiscounted net cash flows that will be received from the asset's use and subsequent disposal. It is likely that this change in accounting policy will lead to impairments being recognised more often.

### **Share Based Payments**

Under AASB 2: Share Based Payments, the consolidated entity is required to recognise an expense for those options that were issued to employees or executives. This will result in a change to the current accounting policy under which no expense is recognised for equity based remuneration.

Similarly, options issued as purchase consideration would be valued and the value attributed to the assets with a corresponding increase in the share based payment reserve. 500,000 options issued as part of the consideration for Bonanza Gold Pty Ltd were assigned nil value.

### **Income Tax**

Under AASB 112 Income Taxes, deferred tax balances are determined using the balance sheet method, which calculates temporary differences based on the differences between the carrying amounts of an entity's assets and liabilities in the statement of financial position and their associated tax base.

This will result in a change to the accounting policy under which deferred tax balances are determined using the income statement method. The standard requires the recognition of temporary differences when it is probable that the Consolidated entity will generate sufficient taxable profit in the same period as the reversal of the deductible temporary difference or taxation loss (or in the periods into which a tax loss arising from the deferred tax asset can be carried back or forward) At the date of this report it is considered that the Consolidated entity would not meet this criteria.

AASB 112 requires the recognition of temporary differences associated with revenues and expenses taken directly to equity. The Consolidated entity has previously recognised transaction costs associated with capital raising directly in equity. The effect of this recognition is to increase share capital by \$170,475 and increase accumulated losses by \$170,475. The adjustment to accumulated losses reflects the directors view that the criteria for recognition of deferred tax assets has not been met.

**(a) Reconciliation of equity as presented under AGAAP to that under AIFRS**

	<b>CONSOLIDATED</b>	<b>PARENT ENTITY</b>
	<b>30 June 2005</b>	<b>30 June 2005</b>
	<b>\$</b>	<b>\$</b>
<b>Total equity under AGAAP</b>	<b>4,185,111</b>	<b>4,187,122</b>
AASB 112 adjustment in regards to capital raising costs	170,475	170,475
Decrease in current year profit resulting from transition to AIFRS	-	-
<b>Total equity under AIFRS</b>	<b>4,355,586</b>	<b>4,357,597</b>

**(b) Reconciliation of net profit under AGAAP to that under AIFRS**

<b>YEAR ENDED 30 JUNE 2005</b>	<b>Notes</b>	<b>CONSOLIDATED</b>	<b>PARENT ENTITY</b>
		<b>\$</b>	<b>\$</b>
<b>Net profit as reported under AGAAP</b>		<b>(417,044)</b>	<b>(415,033)</b>
<b>Net profit under AIFRS</b>		<b>(417,044)</b>	<b>(415,033)</b>

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